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Clinton-Yeltsin Summit

Presidential Adviser Cited on Clinton Summit

LD0505235595 Moscow INTERFAX in English 1518 GMT 5 May 95

[FBIS Transcribed Text] MOSCOW, May 5 (Interfax)—A document on European security will be adopted on the result of the visit of U.S. President Bill Clinton to Moscow on May 9-10 and his talks with Russian President Boris Yeltsin, the Russian president's advisor on international issues Dmitriy Ryurikov told a press conference in Moscow today.

He said the document would also deal with NATO expansion to the East. Ryurikov stressed that neither this subject nor any other issues could give rise to conflict during the two presidents' meeting. He said Russia and the U.S. were not going to have serious conflicts in their relations.

Ryurikov said Russia and the U.S. would focus on discussing partnership rather than discord during the summit.

He said he was not expecting any strong statements from Western leaders at the celebration ceremonies in Moscow. Ryurikov said the occasion was so very special that the Chechen problem could not wreck the celebration.

Speaking about nuclear cooperation between Russia and Iran, Ryurikov said the Kremlin would listen to its partners and try to understand their anxiety. He added that, however, if Russia's obligations to Iran conformed with international standards "Moscow will fulfill the obligations."

Chernyshev: No Compromise on Iran Nuclear Contract

LD0605153795 Moscow INTERFAX in English 1257 GMT 6 May 95

[FBIS Transcribed Text] MOSCOW, May 6 (Interfax)—At the coming U.S.-Russian summit in Moscow Russia does not intend to make compromises on the nuclear contract with Iran. This was made known to Interfax Saturday by Russian Deputy Foreign Minister Albert Chernyshev.

"Our stance remains unchanged. We will continue cooperating with Iran in the peaceful utilization of nuclear energy and attempts to make us retreat are groundless," the top diplomat said.

He regretted attempts to sensationalize the Russian-Iranian deal. Still he thinks that the question will not become a stumbling block or take up too much space at the coming meeting of Presidents Boris Yeltsin and Bill Clinton.

"This is one of the questions on which the sides will state their views," Chernyshev said. He did not rule out the possibility that the presidents would stick to their own opinions.

The official called absolutely unjustified the attempts of certain high-ranking members of the American administration to link the nuclear deal with the continuation of nuclear cooperation between Russia and the USA and the prospects of Russian integration in international organizations, including G7.

"We cooperate in the nuclear sphere with many countries and would want to continue contacts with the USA. If we start imposing various packages on each other, we will not advance at all. Instead we may strangle the good things emerging in bilateral relations," Chernyshev stressed.

According to him, Russia is not planning to deliver sensitive technologies or equipment to Tehran.

He also said that Moscow and Washington should be more attentive towards each other and not stand in the way when peaceful cooperation is in question.

Article Sees Summit Leading to Compromises

MK0705050095 Moscow KOMMERSANT-DAILY in Russian 6 May 95 p 1, 4

[Report by Georgiy Bovt under the "About the Nuclear Deal Between Russia and Iran" rubric: "Toughness Can Be Estimated Only in Contrast to Concessions"]

[FBIS Translated Text] The closer the Russian-U.S. summit in Moscow approaches, the higher run the passions in connection with the contract on the delivery of VVER [water-moderated power reactor]-type to Tehran. Russian officials are unanimous in claiming that this time there will be no compromises—to say nothing of any backstage agreements—with the United States, since we are completely in the right. This rightness, incidentally, has been made especially apparent by the fact that the United States, South Korea, and Japan intend to deliver to the DPRK reactors of the same type within the framework of the KEDO program to replace North Korean nuclear equipment. True, common sense gives rise to another question: If everything is already clear and there is nothing to talk about, why is this meeting necessary at all? Because there can be no negotiations without compromises. Georgiy Bovt comments on this issue.

On Thursday, at a briefing held at the Foreign Ministry, Grigoriy Karasin—head of the Information and Press Department—carried on a polemic with absent Madeleine Albright, U.S. Permanent Representative to the UN, who suggested that Russia had already expressed its readiness not to deliver light-water nuclear reactors to Iran in exchange for corresponding compensation. Such a formulation of the question evoked Karasin's "astonishment, to put it mildly." The Foreign Ministry's representative spoke in a rather harsh and uncompromising manner. First, Russia "is not going to give up its intention" to deliver reactors to Iran. Moreover, Moscow "will not revoke its decision even in the face of threats on the part of foreign states." Second, "we have not asked for any compensation." And, third, Iran is one of the participants in the Treaty on the Non-Proliferation of Nuclear Weapons and "its nuclear activities are entirely under guarantees of the International Atomic Energy Agency, which lays no claims regarding the intended deal."

Russian nuclear experts are also convinced that they are absolutely right. In an interview with ITAR-TASS, Vladimir Loborev, member of the Russian Natural Sciences Academy, emphasized that the Russian system of utilizing spent reactor fuel cannot promote the creation of Iranian nuclear weapons. Spent fuel is to be sent to Russia for reprocessing and Iran will take back for dumping on its territory only vitrified matter, which is unsuitable for making a nuclear bomb. According to Academician Loborev, the waste from the light-water reactors that Russia intends to deliver to Iran under the contract can be reprocessed in order to recover components, "that have nothing in common with weapon-grade fissionable materials." Lastly, the most uncompromising statement was voiced by the most popular literary character among Russian Foreign Ministry staffers—"a high-ranking diplomat who has chosen to remain anonymous."

The anonymous representative of the Foreign Ministry utterly denied any rumors regarding possible concessions to the United States with respect to Iran in exchange for permission to deliver VVER reactors to North Korea, with guaranteed financing by the international KEDO consortium. In an interview with ITAR-TASS, the anonymous diplomat stated (in a "categorical" manner) that Moscow does not intend to use this issue as a "trump card" in connection with the nuclear deal between Russia and Iran.

So having dwelled sufficiently long on resolute and uncompromised statements, let us consider what is, in fact, the essence of international politics—nuances and provisos. The same Grigoriy Karasin reserved a small "wicket" for a possible retreat by having declared that Russia would consider the question of freezing the contract with Iran only if, after work at the Bushehr nuclear power station starts, some actions by Tehran arouse doubts as to its peaceful objectives. It would be good, then, to hear an answer to this question: What actions can provoke this freeze, if all militaristic inclinations seem to be entirely blocked under the contract? Can Uzbekistan's President Islam Karimov—the only CIS leader who spoke against the Russia's intention to deliver equipment for nuclear power stations to Iran and who supported the embargo on trade with Iran imposed by Bill Clinton—know something more about this? One more question: Why has Aleksey Yablokov, former aide to President Yeltsin on ecological issues, been so worried, saying that if the contract with Russia is fulfilled, "Iranians will gain access to technologies that will permit them to enrich their own uranium?" Has this been solely due to the fact that Yablokov is an old and consistent opponent of the Russian Ministry of Atomic Energy, opposing the majority of this agency's initiatives?

All of these, however, are, as they say, trifling discrepancies. Outwardly, Moscow's stance looks like a desire to get a firm footing in promising markets for nuclear equipment, which is being maliciously counteracted by the United States—primarily for reasons of competition. The main question, however, arises here: Are prospects offered by the Iranian market commensurate with the exorbitant obstinacy with which Moscow's official representatives cling to this much-disputed contract? Here is, for instance, the opinion of Oleg Davydov, head of the Russian Ministry of Foreign Economic Relations (stated to ITAR-TASS): Trade and economic relations between Russia and Iran are characterized by a "high degree of instability" due to the inability of Tehran to redeem a debt to Moscow amounting to $600 million, which calls future big deals into question. If the $800 million deal on finalizing construction of a nuclear power station in Bushehr is considered a big one, then it would be called into question, too. The reason is quite trivial—insolvency. As Davydov admitted, the Iranian economy is experiencing a severe crisis now. Total foreign debt in Iran amounts to over $30 billion. Tehran has already pleaded to re-structure its debt to Russia, delaying payments for 8- 10 years. As for bilateral trade, it has been decreasing rather rapidly, primarily because Iran lacks funds. For the same reason, the construction of even less ambitious—as compared to the nuclear power station in Bushehr—projects in Iran proceed with enormous difficulties.

Although the present U.S. embargo against Iran has been supported by almost no one, it has already hurt the Iranian economy quite considerably: On Thursday, the exchange rate of the rial fell markedly (down to 5350 per $1); since the beginning of this year the value of national currency has fallen by more than 40 percent. If economic problems continue to grow, how will Russian companies involved in long-term projects in Iran feel? The low discipline of payments on Iran's part has already become the talk of the town among specialists dealing with that country. Therefore, to talk about some extraordinary economic benefits with respect to the Bushehr project would be, to say the least, inconsiderate. If one wishes, however, merely to demonstrate independence, then the categorical refutations by the Foreign Ministry's anonymous official regarding the possibility of any linkage between KEDO's North Korean project and the Russian-Iranian deal are simply unnecessary; in fact, one could only dream that Moscow could strike a bargain (and the fact of bargaining in diplomacy is not discrediting in the least) by participating in the KEDO project (worth $4 billion guaranteed by the United States, Japan, and South Korea), having sacrificed the Iranian deal with its unclear financial prospects. Such a tidbit, however, would hardly be handed to Russia on a plate. Hence—categorical refutations.

And, lastly, if Moscow officials at the Ministry of Foreign Affairs and at the Ministry of Atomic Energy are so sure of their rightness, why has no work been performed at the nuclear power station in Bushehr yet? Why is everybody waiting for what Yeltsin and Clinton will say on 10 May? Why has the same Davydov said that the final stance of Russia with respect to the U.S. proposal to impose a trade embargo against Iran and to cancel an earlier contract on the delivery to Iran of Russian nuclear reactors will be elucidated as a result of negotiations between Boris Yeltsin and Bill Clinton in Moscow? Does this mean that today's stance is not final? Why—according to Yuriy Perekrestov, official representative of the "Zarubezhatomenergostroy" [Agency for the Construction of Nuclear Power Stations Abroad], which is going to act as a contractor in Bushehr—has no preparatory work been performed on the construction site? Why has the representative of the contracting company—as well as Vice Premier Davydov—maintained that the decision to begin such work "can be made only after the meeting between the presidents of Russia and the United States?"

This is because some compromise is sure to be discussed at this meeting.

Moscow Summit Seen Promising Era of Compromise

MK0605105295 Moscow KOMMERSANT-DAILY in Russian 6 May 95 p 4

[Report by Vladimir Simonov, political observer of RIA-NOVOSTI, under the "Russian-American Summit" rubric: "Compromises Are Inevitable. Later, If Not Now"]

[FBIS Translated Text] In the run-up to 10 May, when the presidents of Russia and the United States will hold a working meeting, it has become trendy among journalists to bemoan Russian- American relations. A typical tone of their commentaries is as follows: On 9 May Bill Clinton and Boris Yeltsin may be joyfully clinking their glasses to celebrate the 50th anniversary of the victory over Nazi Germany, but on the next day they will be in for very tense talks. Problems in relations between the two countries, such as the expansion of NATO, the situation in Chechnya, or the sale of Russian nuclear reactors to Iran appear to be insoluble. Given that, what is it that Moscow is actually expecting from the Russian-American summit? Vladimir Simonov, political observer of RIA-NOVOSTI, gives his version of the answer to this question.

In Moscow, officials categorically dismiss the current assessment whereby Russia and the United States are viewing each other as enemies whose interests do not coincide at all. Of course, there are disagreements between them: The Kremlin sees NATO's expansion at the expense of its former East European satellites as a threat, while the White House feels the same way about the proposed sale of Russian nuclear reactors to Iran, a deal Moscow will not give up. The "holiday fireworks" Dudayev's loyalists are going to arrange during the anniversary are unlikely to improve the summit's atmosphere either.

But there is another thing that matters. All the above problems and nudging each other with one's feet under the table while the interlocutors pretend everything is perfectly okay will only give extremists both in Russia and the United States unnecessary trump cards. This should be avoided. Today conflicts between Moscow and Washington should be discussed in an honest and frank fashion. And this can well be done.

An attitude on both sides to see conflicts as the norm helps them to find compromise solutions. Such a compromise, to all appearances, will be reached in Moscow with regard to the nuclear deal with Iran; and other problems may prove to be not that insoluble as well. The main thing is that both the Kremlin and the U.S. Administration are convinced that the two countries have many more common interests than disagreements.

This is confirmed at least by the fact that the U.S. President has finally made the uneasy decision to mark the V-Day anniversary in Moscow. The Kremlin understood this as follows: The U.S. Administration wants the meeting to be a success and counts on a partnership with Russia despite opposition on the part of the Republican majority in Congress. Considerable importance has also been attached here to Clinton's statement that he will conduct his election campaign under the slogan of cooperation with Russia, not new suspicions about it. He is unlikely to win, though. His approval rating has dropped too low recently. But the level of the Russian president's popularity does not arouse optimism about his prospects in the upcoming elections either.

The partnership of the two countries has currently outgrown their former romanticism, Moscow believes. Now it has become much more realistic. It is underpinned by a fairly high level of mutual trust. As a high-ranking American diplomat put it, half-jokingly, half-seriously: "We may have setbacks in relations with Russia, but the most important thing is that they should not be worse than our relations with France." Against this backdrop, the wish expressed by Andrey Kozyrev in Washington recently—that in the long run the two powers are destined to become allies—is not that far-fetched.

In the final analysis, the dark side of concerns about NATO, reactors for Iran, and events in Chechnya is a certain confusion of countries confronted with new realities, a feeling that brings Russia and the United States closer together. Neither we nor they know yet how to respond to the challenge of the time. What is to be done about global problems, be they ethnic, religious, or criminal?

Ironically, in the cold-war era everything was much more predictable. There was sort of a negative discipline of confrontation. It was clear: This is one bloc's sphere of influence, that is the other's, and there is a disengagement zone between them. Using GULAG-speak, a step to the right or a step to the left was an attempt to break away. In this particular case, from one's ideology.

Not any more. There is not even a Politburo in Russia. A lack of this type of party control on the territory of the former USSR and the disappearance of the fear of communism in the United States have brought about a situation where, however strange this might be, the likelihood of a tragic mistake or a global failure is much greater than it was before.

In all old international mechanisms—from the CSCE to, say, the CFE—Russia and United States balanced each other. These were the swings of force. These types of mechanisms have become loose and fallen into disrepair. They cannot be repaired or restored in the new conditions, nor should they be. Presently the two powers face an entirely new problem of how to be mutually complimentary, not just to balance each other. Therefore, new mechanisms are needed. Therefore, the former border of Russian and American interests drawn greater sphere in one area, Moscow in another. Laying claim to the halving of all blessings would now simply make no sense.

Given that, the U.S. Administration and the Russian Government, the U.S. State Department and the Russian Foreign Ministry, the CIA and the FSB, and other agencies should assimilate a new system of coordinates and realize what should replace the fear of one's former ideological adversary.

It is not by chance that the United States has recently put forward economic security, that is, the struggle for markets, as a priority of its national doctrine. This is clear and generally understandable. The geostrategic factor, including relations with Russia, is relegated somewhere to No.3 or No.4. Russian policy, as the nuclear transaction with Iran has clearly shown, is undergoing the same metamorphosis.

The emergence of economic interests in the foreground does not promise easy talks. The Russian president's staff, too, is certain of that. POSTFACTUM has learned from sources in the presidential staff that the American side will focus its attention primarily on the Russian contract with Iran and respect for human rights in Chechnya, while representatives of the Russian side intend "argumentatively to convince the American president of the legitimacy of their actions."

Duma's Lukin Cited on Clinton Visit, Iran

LD0605163495 Moscow INTERFAX in English 1509 GMT 6 May 95

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] MOSCOW, May 6 (Interfax)—The domestic situation in Russia and the United States as well as the coming elections in both countries will influence the meeting of Presidents Boris Yeltsin and Bill Clinton in Moscow next week. "The domestic factor will limit the possibility of constructive decisions at the top level but will not let the sides argue," the Duma International Affairs Committee's Chairman Vladimir Lukin told Interfax Saturday.

According to him, Republicans are pushing the U.S. president to make relations with Russia tougher. "This will give them a chance to declare that President Reagan destroyed Communism, President Bush established a perfect partnership with Russia while the Democrats and their President Clinton spoiled everything," the former Russian ambassador to Washington said.

Lukin thinks these circumstances prompt the Clinton administration to look for compromise on key disputed matters. "However, the amount of compromise is limited. If Clinton and Yeltsin make big compromises, they can both be accused of weakness. In other words, one can assume that the Americans will come to Moscow with limited compromise solutions for the most complicated problems," he said.

Lukin believes that NATO's expansion and European security will be the main topics of the summit. "Apparently the Americans will say that no practical decisions to expand NATO have been made yet, that the process of admission of new members is a prolonged one and that Russia has no reasons to expect unpleasant surprises", he said.

Lukin has visited Washington with a parliamentary delegation, which met with senior officials in the U.S. Administration. He does not rule out that in Moscow the Americans may invite Russia to conclude some strategic agreements with the United States and NATO.

About Russia's contract for the supply of light water reactors to Iran, Lukin said: "The United States is aware that it has no reasons to object against that deal. However, Russia should listen to the practical considerations the Americans may voice and discuss their worries".

Russian-U.S. Tensions Attributed to Politics

MK0505130795 Moscow SEGODNYA in Russian 5 May 95 p 3

[Report by Yuriy Davydov under the "Powers" rubric: "It Is Clinton and Yeltsin Who Need the Forthcoming Summit Most—Then, Their Nations. Russian—U.S. Relations Have Become Hostages of 'Socialist Emulation'"]

[FBIS Translated Text] Relations between Russia and the United States have indeed entered a phase of some coolness. Experts are increasingly noting a divergence of interests and a mutual toughening of positions with respect to one another. The differences between the two countries encompass a range of topical issues: Is the brutal war in Chechnya a Russian or an international problem? To whom should aid be given in Bosnia? Do leaders in Baghdad and Belgrade deserve to have sanctions lifted? To what extent is it unsafe to sell nuclear reactors to Iran? If this is unsafe with respect to Iran, then why is it safe with respect to North Korea? Is it worthwhile to revise the 1990 Treaty on the Reduction of Conventional Arms in Europe? Will NATO expansion act to stabilize or to disunite Europe? And so forth.

The polemics between Moscow and Washington on these issues and mutual annoyance over the rigidity of each other's stances do not enhance the potential for mutual trust. At the same time, there is nothing extraordinary in the fact that such differences exist. These are not Stalin's blockage of West Berlin, not the Caribbean crisis, not the Vietnam adventure, and not the Soviet Union's invasion into Afghanistan. The present conflicts between Russia and the United States are at least one order of magnitude milder. Although evoking some concern, they hardly affect vital interests of the two countries or require some emergency reaction on the part of the world community. In addition, apart from the differences, there is still a wide area of concord—non-proliferation of nuclear weapons, their reduction, the struggle against terrorism and the internationalization of Mafia-like structures, etc. Under these conditions, the emerging differences can well be settled using routine diplomatic methods.

Why, then, has this not happened? Why has the significance of trivial differences been so exaggerated that people have started to talk about the return of a "cold war" or the emergence of a "cold peace?" Why, for both sides, has the method of settling the conflict turned out to be of a greater importance than its essence? And, finally, why does each of the sides prefer victory in this dispute to a compromise based on mutual trust?

This can probably be explained by the fact that the present aggravation of Russian-U.S. differences has been based not so much on their essence or on the dynamics or state of the partnership as by some other factors not directly related to all this—primarily, by the peculiarities of internal political struggles, which follow generally similar scenarios in both countries. Two factors are of decisive significance in this respect.

First, both in Russia and in the United States, one can observe a marked list at the level of the political elite. In the United States, after the mid-term election, in both houses of the Congress the majority has been won not simply by the Republicans, but by right-wing conservative Republicans—the advocates of a tough approach to the outer world, and, above all, to Russia. Russia has lost the "cold war," is losing the battle for democracy, and has virtually thrown itself back to the periphery of the world politics. In this situation, Washington hardly needs to continue its former approach to Russia—whether it is regarded as a superpower or as a country undergoing reform. It would be better to wait and to see what will happen.

In Russia, a similar shift started earlier. Yeltsin's assault on the parliament in October 1993 has predetermined the success of former communists and the present national socialists in future elections and has strengthened the influence of the power structures on the formulation of the country's political course. These—as well as other—forces are inclined to see in the West the principal source of domestic calamities and of the international humiliation of Russia. They are dreaming of revenge after defeat in the "cold war" and are attempting to provoke the West to engage in a new confrontation. They have managed to persuade a part of society that their current irreconcilability with respect to the West is the supreme manifestation of patriotism and adherence to national interests.

Thus, the toughness of U.S. hawks is nurturing the irreconcilability of Russian hawks, and vice versa. In fact, they are working for one another. Nevertheless, the Russian and U.S. administrations, being in need of mass support from inside, cannot ignore their increasing political weight, which reflects a certain shift in the public sentiments in both countries. As a result, each of the problems in Russian-U.S. relations—whatever it might ordinarily be—is over-emphasized and used as a pretext for the opposition to exert pressure on the government and as an issue for rough clashes in the international arena.

Second, the pre-election presidential race has started in both countries. Both of today's presidents have come to power under liberal slogans that both of them have failed to implement—not because the slogans were liberal, but because their promises were overstated. In the opinion of strategists both in Moscow and in Washington, the re-election of the present leaders to a second term is possible only by borrowing some popular slogans (including on foreign policy matters) from hard-liners. Another thing should also be taken into consideration: In a period of uncertainty in the world caused by the breakdown of former paradigms, a bewildered voter will show preference to firm, self- confident, and resolute persons as rulers of the state. Not every leader has such qualities, and their absence is often compensated for by deliberately tough political behavior. As a result, the contestants for power compete for the image of a tougher leader. Russian-U.S. relations have become the hostage of this "socialist emulation" [term commonly used in the USSR, meaning competition between enterprises for the best performance].

In this situation, the forthcoming summit is less important for the United States or Russia than for their leaders. It will permit them to attract attention to themselves, to demonstrate to their own ungrateful (distrustful) peoples that their present choices enjoy exceptional trust and respect abroad, and to show that only they—and no one else—can undo the tangle of the most burning current issues (which have been deliberately complicated). This is already just a stone's throw from the most important inference: Only they, and nobody else, can carry the excruciating burden of ruling the state.

The same domestic context which has given rise to the Russian- U.S. summit, however, can play a bad trick on its participants. Indeed, both leaders need to demonstrate their firmness during the meeting and, at the same time, to look for a compromise, which is possible only by making mutual concessions. The two approaches are difficult to combine. Therefore, an agreement is unlikely to be reached on such issues as NATO expansion, lifting sanctions against Iraq and Yugoslavia, and revising the Treaty on Conventional Arms in Europe—both sides have been too tough in delineating their stances, and any compromise will look like defeat, which would hardly be pardoned at home. At the same time, the intricacy or uncertainty of some problems (deals with Iran and North Korea, Chechnya) makes them easier targets for a compromise, which each of the leaders can interpret as his personal victory. Another thing evokes concern: The tendency to settle internal problems at the expense of manipulations on the international level, first, can easily lead to destabilization, and, second, will hardly help to remove inner tension, which has its own sources. True, foreign policy is made at home, but it is bad if it boomerangs there, too.

Iran Deal 'Overshadows' Upcoming Moscow Summit

MM0505152895 Moscow ROSSIYSKAYA GAZETA in Russian 5 May 95 First Edition p 7

[Report by Vladimir Silkin: "Iranian Stumbling Block Overshadows Upcoming Summit"]

[FBIS Translated Text] After Clinton's statement on the need for the United States to impose a trade embargo on Tehran the "Iranian theme" has again become a central issue in the reports of the world's news agencies. But no matter how Washington's dialog with Tehran develops, Moscow is ever present in the background of U.S.-Iranian relations.

The nuclear deal with Iran will undoubtedly be the central theme of the upcoming meeting between Yeltsin and Clinton. Whereas the disagreements on other contentious issues (the Chechen conflict and NATO's eastward expansion) are less noticeable, the deliveries of Russian nuclear reactors to Iran are ever present in the context of Russian-U.S. talks and consultations. The recent talks in Washington with Kozyrev and Rybkin, which were the prelude to the Moscow summit, revealed no tangible movements in the sides' positions.

The Americans still believe that Iran will be able to use the Russian light-water reactors to create their own nuclear weapons.

The Russian side takes exactly the opposite view. Our representatives have repeatedly stated that the light-water reactors—incidentally, the same type that the Americans wanted to supply to the DPRK with South Korea's assistance—are not suitable for the production of the weapons-grade plutonium which is used to create nuclear weapons. Representatives of the Russian Foreign Ministry, the Foreign Intelligence Service, and the Ministry of Atomic Energy have made similar statements.

International experts have made similar assessments. For example, IAEA [International Atomic Energy Agency] General Secretary Blix has described the statements by U.S. official spokesmen regarding Iran's attempts to develop a nuclear weapon as unfounded. According to Blix America has not yet furnished any evidence that Iran is trying to develop the technology for the production of nuclear weapons in contravention of the Nuclear Nonproliferation Treaty. He stressed that Iran is being constantly monitored by the IAEA.

Without offering any serious evidence that Iran is violating the international agreements on the nonproliferation of nuclear weapons, Clinton has announced the imposition of a U.S. trade embargo on Iran. The aim of this action is clear. Clinton is coming under ever increasing pressure from the conservative-minded Congress and hoped to use the international community to "influence" Moscow. However, the U.S. President's intention of organizing an international boycott of Iran did not meet with support even among America's most loyal allies. Britain, France, and Germany reacted critically to this action.

It seems that the whole world can see what the U.S. Congress cannot or, rather, will not want to see. The Republican majority in the Congress have repeatedly stated that if Moscow implements the agreement with Iran it cannot expect to receive the U.S. aid of $258 million (the deal for the supply of Russian reactors to Iran is worth more than $800 million).

If the Russian-Iranian deal is wrecked that could cause our country not just tangible material harm but great moral damage too. There is a threat that people will lose confidence in us as a reliable trade partner. But the main thing is, we will be forced out of the international nuclear technologies market. There could be a repetition there of the situation that occurred in the eighties when Western rivals forced Russia out of its traditional arms markets and then took its place. That is why Moscow, by all accounts, is prepared to compromise but only to a certain extent. The agreement with Iran envisages the IAEA's permanent monitoring of the construction and operation of the future nuclear electric power station. Iran has undertaken a commitment not to use the Russian equipment, technology, and materials for military purposes. With such major guarantees as that, the deal corresponds to the generally accepted norms of international law and international practice.

Thus Russia has done everything in its power to observe its interests and safeguard international security.

Stop Press

The official U.S. authorities are continuing to pressure Russia so as to prevent the implementation of its nuclear accords with Iran. A State Department spokesman has stated that this question will be one of the main issues at the upcoming summit in Moscow.

We are also concerned, he continued, at the reports that the Russians might agree to supply Iran with a gas centrifuge or a spent nuclear fuel reprocessing system. Secretary of State Christopher raised this question in a "resolute manner" when he met with Russian Foreign Minister Kozyrev last week.

Meetings & Ceremonies

Yeltsin Meets With UN Chief, PRC President

Butrus-Ghali Arrives in Moscow

LD0705174395 Moscow NTV in Russian 1500 GMT 7 May 95

[From the "Segodnya" newscast]

[FBIS Translated Text] [Announcer Tatyana Mitkova] The first guest flew in to Sheremetyevo today—UN Secretary General Butrus Butrus-Ghali. He has arrived in Moscow to take part in the celebrations to mark the 50th anniversary of victory.

[Begin recording Butrus-Ghali, in English with superimposed translation into Russian] Relations between the Russian Federation and the United Nations are excellent. I hope that in the next 50 years they will be even better than in the past 50 years. [end recording]

[Mitkova] The UN secretary general will meet Boris Yeltsin tomorrow. Issues related to the war in former Yugoslavia and UN involvement in resolving conflicts in Tajikistan and Abkhazia are likely to be touched upon during the talks with the Russian president and Foreign Minister Kozyrev.

Yeltsin, UN Chief Meet 8 May

LD0805103795 Moscow ITAR-TASS in English 1012 GMT 8 May 95

[By Andrey Serov]

[FBIS Transcribed Text] MOSCOW May 8 (Itar-Tass)—President Boris Yeltsin had a meeting with U.N. Secretary-General Butrus Butrus-Ghali on Monday. The U.N. chief arrived here to attend the celebration of the 50th anniversary of the Victory in Europe in the Second World War.

Yeltsin emphasised the need to abolish double standards primarily in the solution of such problems as the accomplishment of peacekeeping missions on the territory of the Commonwealth of Independent States (CIS).

Russian Foreign Minister Andrey Kozyrev, who was present during the meeting, has told journalists that the Russian President raised the question of granting the status of U.N. peacekeeping force to the peacekeeping forces operating in Tajikistan and Georgia with an appropriate financing and support. According to Kozyrev, Butrus- Ghali agreed with the Russian president's opinion.

The Russian President and the U.N. chief also discussed the situation in Yugoslavia. Yeltsin responded positively to the U.N. chief's request to prolong the stay of the Russian peacekeeping contingent in Croatia. At the same time, the Russian Head of State pointed out the need to tell Croatia and other sides involved in the conflict again that they bear responsibility for the bloodshed and to bring about an end to it.

Further on Meeting With Butrus-Ghali

LD0805130995 Moscow ITAR-TASS in English 1234 GMT 8 May 95

[By Andrey Serov]

[FBIS Transcribed Text] MOSCOW May 8 (Itar-Tass)—President Boris Yeltsin had a meeting with U.N. Secretary-General Butrus Butrus-Ghali on Monday. The U.N. chief arrived here to attend the celebration of the 50th anniversary of the Victory in Europe in the Second World War.

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Russian Foreign Minister Andrey Kozyrev, who was present during the meeting, has told journalists that the Russian President raised the question of granting the status of U.N. peacekeeping force to the peacekeeping forces operating in Tajikistan and Georgia with an appropriate financing and support.

It is illogical and unfair that only Russia and other CIS countries pay, through loss of life as well, for the peace process in those regions, it was stated during the meeting. Moscow highly appreciates the contribution made by the U.N. Secretary General's personal representatives in the conflict-ridden zones of the CIS but it would not mind the international community's participation in financing peacekeepers in those areas on the same principles as, say, that in Yugoslavia. "This is not a complaint but is our legitimate demand," Kozyrev told journalists. According to him, Butrus-Ghali agreed with the Russian President's opinion.

The Russian President and the U.N. chief also discussed the situation in Yugoslavia. Yeltsin responded positively to the U.N. chief's request to prolong the stay of the Russian peacekeeping contingent in Croatia. At the same time, the Russian Head of State pointed out the need to tell Croatia and other sides involved in the conflict again that they bear responsibility for the bloodshed and to bring about an end to it.

Moscow has suggested that the U.N. Security Council pass yet another resolution on this problem. Kozyrev said that appropriate proposals have already been sent through diplomatic channels to the leadership of the Contact Group countries.

During today's meeting, Butrus-Ghali pointed out the major role which Russia plays at the United Nations Organisation. The U.N. chief "directly referred to Russia as a Great Power," Kozyrev said.

Kozyrev Cited on UN Talks

LD0805142495 Moscow INTERFAX in English 1251 GMT 8 May 95

[FBIS Transcribed Text] MOSCOW, May 8 (Interfax)—Russian President Boris Yeltsin urged the United Nations organization to abandon "double standards" at his meeting with U.N. Secretary-General Butrus Butrus-Ghali in Moscow today, Russian Foreign Minister Andrey Kozyrev told correspondents after attending the meeting.

In response to an Interfax question, the Minister cited the President as saying that Russia and Commonwealth member-states "are actually left alone to settle such crises as Georgia and Tajik."

"We are spending money and sending our people there. Sometimes our people get killed," noted Kozyrev. In his words, the United Nations sends peace-makers to Bosnia and Croatia and "does not seem to pay much attention to the republics of the former Soviet Union."

At the same time, Kozyrev admitted that the United Nations has sent its observers to Tajikistan. "We welcome this fact but think that U.N. participation in settlement of conflicts on territory of the former Soviet Union must be greater," said the minister.

In his words, Butrus-Ghali fully agreed with the formulation of the question offered by President Boris Yeltsin. "This is extremely important," noted Kozyrev. Georgia and Tajikistan have requested for U.N. peace-makers themselves, he added.

When meeting the Russian President, Butrus-Ghali said that great powerful and democratic Russia will continue to play an important role in international affairs in the interests of global peace, reports the presidential press service.

Butrus-Ghali noted the Russian large contribution to the activities of the United Nations, including the conference on non- proliferation of nuclear arms underway in New York city.

Yeltsin Receives Jiang Zemin

LD0805103895 Moscow ITAR-TASS World Service in Russian 1009 GMT 8 May 95

[By ITAR-TASS correspondent Andrey Shtorkh]

[FBIS Translated Text] Moscow, 8 May (TASS)—"Today Russia and China are ready to proceed with a partnership. It seems to me that the level of our relations is already sufficient for that," Russian President Boris Yeltsin said while receiving PRC President Jiang Zemin in the Kremlin today.

Yeltsin noted that the volume of trade between Russia and China increased by 50 percent in the past two years. Scientific, technological, and military-technical cooperation between the two countries is developing. "The most important thing is that there are no problems between the peoples of China and the Russian Federation—this is a most important achievement," Boris Yeltsin emphasized.

The Russian president said he was "very grateful" to the Chinese president for answering the invitation and coming "to our great celebration, the celebration of victory over fascist Germany." "By this gesture, you have expressed respect for the Russian people and its role in the victory in the Great Patriotic War," Yeltsin said.

The meeting was attended by Russian Foreign Minister Andrey Kozyrev and Dmitriy Ryurikov, Yeltsin's aide on foreign policy issues.

Confirms Intention To Visit PRC

LD0805110195 Moscow ITAR-TASS World Service in Russian 1036 GMT 8 May 95

[By ITAR-TASS correspondent Andrey Shtorkh]

[FBIS Translated Text] Moscow, 8 May, (TASS)—During his meeting in the Kremlin with PRC Jiang Zemin, Boris Yeltsin confirmed his intention to visit China later this year. Journalists learned this information from Dmitriy Ryurikov, Yeltsin's aide on foreign policy issues, who attended the meeting.

Talking about the meeting, Ryurikov said the two sides agreed to build more profound relations between the two great peoples. They acknowledged that it is necessary to strengthen trade relations, an area in which some obstacles have not been removed yet.

Asked whether the topic of nuclear nonproliferation was mentioned, Ryurikov said it was not discussed.

Chernomyrdin Tours Europe VE-Day Celebrations

Arrives in London 6 May

LD0605154195 Moscow ITAR-TASS in English 1436 GMT 6 May 95

[By Viktor Solomin]

[FBIS Transcribed Text] LONDON, May 6 (Itar-Tass)—Russian Prime Minister Viktor Chernomyrdin arrived in London on Saturday at the invitation of his British counterpart John Major to participate in the celebrations of the 50th annivesrary of the Allied victory in World War Two.

Together with heads of state and government, other high-ranking officials from 54 countries, the Russian premier will attend tonight a formal party devoted to the glorious date. It is expected that Queen Elizabeth the Second will address the party.

On Sunday morning Chernomyrdin will attend a prayer in St. Paul's Cathedral, where the Queen will be present, and will then visit the Buckingham palace.

In the afternoon the Russian Prime minister will visit Hyde Park to attend the giant concert and the celebration ceremony which would be headed by the Queen.

On Sunday evening Chernomyrdin will leave for Paris.

'Unplanned Meeting' With Gore

LD0705115795 Moscow ITAR-TASS World Service in Russian 1104 GMT 7 May 95

[FBIS Translated Text] LONDON—Russian Federation Government Chairman Viktor Chernomyrdin and U.S. Vice President Albert Gore held an unplanned meeting in the British capital this morning. They are taking part in the celebration of the 50th anniversary of the victory in World War II, together with heads of state and government from nearly 60 countries. During their conversation, Gore and Chernomyrdin checked their watches, as it were, in the run-up to the meeting of the Russian and U.S. Presidents Boris Yeltsin and Bill Clinton, which is scheduled to take place in Moscow on 10 May. The two leaders also made provisional plans to hold the fifth session of the Gore-Chernomyrdin commission in Moscow on 29-30 June.

Arrives in Paris 8 May

LD0705213695 Moscow ITAR-TASS World Service in Russian 2121 GMT 7 May 95

[by ITAR-TASS correspondent Igor Shchegolev]

[FBIS Translated Text] Paris, 8 May—Russian Prime Minister Viktor Chernomyrdin today arrived in Paris from London, where he took part in the festivities on the occasion of the 50th anniversary of the end of World War II in Europe. Together with the heads of state and government of another 80 states, he will take part in the jubilee ceremonies which will take place in the French capital on Monday.

Attends Paris Events, Leaves for Berlin

LD0805134695 Moscow ITAR-TASS in English 1327 GMT 8 May 95

[By Igor Shchegolev]

[FBIS Transcribed Text] PARIS, May 8 (Itar-Tass)—Russian Prime Minister Viktor Chernomyrdin ended his visit to Paris where he attended commemorative ceremonies marking the 50th anniversary of Victory Day in Europe and left for Berlin.

Chernomyrdin took part in the memorial ceremonies at the Arc de Triomphe and attended a reception at the Elysee Palace given by French President Francois Mitterrand.

On Sunday, the Russian prime minister attended ceremonies commemorating the end of World War II in London.

Israel's Rabin Thanks Russia for Victory Over Facism

LD0605222895 Moscow Russian Public Television First Channel Network in Russian 1700 GMT 6 May 95

[From the "Vremya" newscast]

[FBIS Translated Text] [Announcer Nelli Petkova] The Victory jubilee is being commemorated not only in Europe. The defeat of fascism is a special event for the people of Israel. Israeli Prime Minister Yitzhaq Rabin told our correspondent how the country is celebrating the anniversary.

[Correspondent Andrey Popov] The 50th anniversary of the victory in the Great Patriotic War is being marked in Israel as a major festive occasion on an international scale. Thousands of veterans now live here, having come from the former Soviet Union over the course of many years. They are still active here. Articles and items featuring recollections about the war appear daily in the Russian-language press. Here you will find advertisements of festive gatherings and meetings of those who fought in the war. It has also been reported that a large group of veterans is heading for Russia to take part on the celebrations. The official Israeli delegation is to be led by the country's president, [Ezer] Weizman. In Israel itself, a grand reception will be held for veterans of World War II on behalf of the defense minister and the prime minister.

On the eve of VE Day, the country's prime minister, Yitzhaq Rabin, gave our program an exclusive interview. He particularly stressed that at this time he could not fail to address the Russian people and their Red Army, without whom there would have been no celebration today. I cannot find fitting words, Yitzhaq Rabin said, to express our people's gratitude to your country, which destroyed German fascism. I would like to address all veterans now living in Russia and other countries and say: It is thanks to you that victory was achieved. You deserve gratitude and special respect from future generations for having fought in that bloodiest war of the 20th century. Happy anniversary to you, Israeli Prime Minister Yitzhaq Rabin concluded.

Yeltsin Signs Edict on Celebration of VE Day

LD0505142795 Moscow ITAR-TASS in English 1346 GMT 5 May 95

[FBIS Transcribed Text] MOSCOW, May 5 (Itar-Tass)—A 50-salvo salute will mark the 50th V-day at 10 p.m. on May 9 in Moscow under a decree of Russian President Boris Yeltsin.

The decree circulated by the presidential press service here today says that the victory was "won with millions of victims, endless sufferings, selfless labor and heroic deeds. It came down into history as a symbol of unbending patriotic spirit, friendship of peoples, loyalty to the military duty and motherland."

The victory over fascism won in May 1945 by Russia and its anti-Hitler coalition allies is the "triumph of justice, humanism and kindness and a crippling blow on the idea and practice of misanthropy and enslavement of peoples that were made the state policy of the Third Reich," says the document.

"The years of struggle against fascism fully revealed best qualities of defenders of our motherland - staunchness, courage, loyalty to the duty and oath and endless love for motherland. Peoples of many states owe their liberation from the Nazis to the soldier of the Red Army who covered the way from Moscow to Berlin by enormously hard roads. Millions of our compatriots died on this uneasy way towards the victory. May their memory live for ever!" notes the decree.

"The heroic traditions of veterans of the Great Patriotic war continue in everyday life and combat activities of the Russian Armed Forces. Russian soldiers are fulfilling their duty to motherland and show examples of heroism and courage in extreme conditions. Russian citizens can be sure—servicemen of the Russian Armed Forces are ready to protect motherland as selfless as it was done by their fathers, grandfathers and great-grandfathers in the years of the Great Patriotic war," says the document.

Yeltsin Presents Zhukov Orders to Veterans

LD0605051495

[FBIS Editorial Report] Moscow Russian Television Network in Russian at 1055 GMT on 5 May carries live coverage of Russian President Boris Yeltsin presenting Zhukov Orders to World War II veterans. The program lasts for an hour and 20 minutes.

At 1055 GMT, a presidential official introducing the ceremony says Yeltsin is going to present Zhukov orders for the first time. Video shows the inside of the St. George's Hall at the Great Kremlin Palace and veterans.

At 1100 GMT, Yeltsin appears. Grachev comes up to him and presents the first group of commanders to receive orders. Yeltsin greets those in the hall. He looks well and speaks clearly. He makes the following address:

"Dear friends! Today, on the eve of the anniversary of the great victory, prominent military commanders and heroes of the battles of the Great Patriotic War are the first to be awarded a new Russian order, the Zhukov Order. I think all of us will remember this day.

"The Great Patriotic War was a heroic, tragic, and sacred page in our history. The fight against a deadly enemy went on for four long and painfully difficult years. There was no aim more cherished or more desired than to clear our homeland of the fascist occupiers. We pay deep tribute to the heroism and selflessness of the defenders of our fatherland. Acting beyond their strength and through a mortal barrage of fire, our warriors moved towards victory. They kept the oath they took before leaving for the front and the enemy was routed. The war is a matter of the past now but the memory of it is beyond time. The immortal heroic deeds of soldiers and officers, members of underground organizations and partisans, workers of the rear and all those who ensured the defeat of Hitler's hordes will never be forgotten. We will always remember the enormous efforts, deprivations, and sacrifices—the price paid for the great victory.

"Glory to the victors. Blessed be the memory of those who fell. St. George the victory-bearer has been thought of as the patron saint of the Russian Army since early times. The names of the Knights of St. George are written in golden letters on marble plaques here, in the Hall of St. George, a hall of military glory. Georgiy Konstantinovich Zhukov was also decorated with the two crosses of St. George for military prowess and courage on the fronts of the First World War. The name of Marshal Zhukov is dear to every Russian citizen and patriot. It has became one of the symbols of Russian military renown and is honored here alongside the honors of Aleksandr Nevskiy, Dmitriy Donskoy, Aleksandr Suvorov, Mikhail Kutuzov, and Pavel Nakhimov. Where there's Zhukov, there's victory,—they said on the fronts of the Great Patriotic War. In desperate difficulty, even in a hopeless situation when the fate of the country hung by a thread, Georgiy Konstantinovich Zhukov took upon himself responsibility for the outcome of the decisive battles. His courage and decisiveness brought the long-awaited victory.

"The heroic defense of Leningrad, victories in the battles on the approaches to Moscow and Stalingrad, on the Orel-Kursk salient, the storming of Berlin—these were the glorious landmarks on the combat path of the Red Army. All of them were marked by our outstanding fellow countryman's genius as a military leader.

"In his memory, a new Russian order has been established. It is a fighting order for military leaders. It is awarded to military commanders for their merits in planning and successfully carrying out major combat operations to defend our fatherland.

"Dear veterans! You fought together with Marshal Zhukov and brought the great victory closer.

"I think the Zhukov Order will be particularly dear to you. You have earned this honorable award through your martial work and you can rightfully be proud of it.

"On the eve of the anniversary of the great victory I cordially congratulate you on this event!"

At 1107 GMT, the presentation of the orders begins with retired Col-Gen Abramov. Yeltsin reads a brief biography of the recipient. The head of the directorate for presidential state awards, Nina Alekseyevna, reads the citation. Yeltsin pins on the orders. Yeltsin, who has no thumb or index finger on his left hand due to an accident as a teenager, is seen having some difficulty attaching the first order to the lapel of Col-Gen Abramov with his right hand. As those assembled wait in a slightly tense atmosphere, Yeltsin is heard saying: "They don't make orders with screws now. This is the first order for many years which happens to have a screw." A chuckle is heard in the assembly hall and smiles appear from the recipient and assembled military dignitaries as Yeltsin appears to have succeeded in giving Abramov the award.

After a brief burst of military music, Abramov turns to leave the presentation area, and the medal falls off his lapel. Yeltsin replaces it, but again, as Abramov attempts to leave, the medal falls off. An aide collects the medal from the floor, and hands it, together with a bouquet of flowers to Abramov who exits.

At 1112 Yeltsin presents orders to the following retired officers: Maj-Gen Afanasyev who makes remarks, Lt-Gen Vasilenko, Marshall Zimin, Maj-Gen Korsanov, Maj-Gen Kochargin, Col Kudryashov, Marshall Losik who makes remarks, Gen Lyashchenko who makes remarks, Maj-Gen Maksimovskiy, Gen Pavlovskiy, Lt-Gen Petrenko who makes remarks, Lt-Gen Pushkin, Adm Sergeyev who makes remarsk, Marshall Sokolov, Maj-Gen Cherepanov.

At 1209 GMT, Yeltsin congratulates the veterans on behalf of the Russian authorities, shows a wallet to be presented to every veteran with a voucher for a free Lada car and the keys.

In the course of the program, video shows Defense Minister Grachev, Minister of Internal Affairs Yerin, Director of the Federal Counterintelligence Service Stepashin, Director of Foreign Intelligence Service Primakov, Duma Speaker Rybkin.

Yeltsin Lays Wreath at Tomb of Unknown Soldier

LD0805071695 Moscow ITAR-TASS in English 0659 GMT 8 May 95

[FBIS Transcribed Text] MOSCOW May 8 (Itar-Tass)—Russian President Boris Yeltsin laid a wreath at the Tomb of the Unknown Soldier on Monday, on the eve of the 50th anniversary of the Victory Day, honouring the memory of soldiers who perished in the battle against the fascist Germany.

Representatives of three armed services, grandchildren of those who gained Victory in 1945, marched past the Eternal Flame.

Report Previews Yeltsin Tone for VE Day Speeches

MM0505193095 Moscow IZVESTIYA in Russian 6 May 95 p 2

[Report by Vasiliy Kononenko: "In His Speeches During the Celebrations Marking the 50th Anniversary of Victory, B. Yeltsin Intends To Avoid Didacticism and Sensationalism"]

[FBIS Translated Text] President B. Yeltsin's long abstinence from public appearances and statements in the runup to the celebration of Victory Day does not have a hidden meaning aimed at stunning society and the world at large. The strategy of all the public speeches which the head of state will deliver from the solemn rostrums—which are to last a combined total of two hours—is to avoid epoch-making conclusions and sensational statements capable of diverting attention from the Victory jubilee. IZVESTIYA's correspondent was given this assurance by many officials of the president's services.

In his 35-minute keynote address in the Kremlin Palace, which can be considered the key event in this series, B. Yeltsin does not intent to sum up the major military operations of World War II. He does not want to adopt a didactic tone or ape the professorial style of expounding those historical events. Interpreting the rout of fascism by the collective forces of many states from the historical distance of 50 years, and the significance of this event for the subsequent world order—this is to be the gist of this speech. There is no place in it either for general political declarations and settling scores over today's problems, such as, for example, Chechnya.

Not only analysts from the structures of power, but also archivists and academics from the Institute of World History and representatives of other scientific collectives, have been working on the speech. Writers who themselves fought on the front line—including G. Baklanov, P. Finogenov, and others—have responded enthusiastically to requests.

B. Yeltsin asked that particularly humane and well-chosen words be found for the veterans who will march through Red Square. The president intends to bow to them. As for the speech at the solemn dinner on the evening of 9 May, to which not only foreign guests, but also many who took part in the war, are invited (in total, around 900 people), its sense will most likely boil down to an invitation for the Victory jubilee to be used for the revival of the "spirit of the Elbe."

On the days of the celebrations B. Yeltsin will not only attend solemn events, but will also have official meetings. It is already known that he will meet with UN Secretary General Butrus-Butrus Ghali, PRC Chairman Jiang Zemin, and also F. Mitterrand, who is leaving big-time politics. The series of meetings will be extended after the celebrations also. B. Yeltsin will discuss with the Canadian prime minister questions of preparing for the G-7 meeting in Halifax, after which he will have three rounds of talks with U.S. President B. Clinton.

Questions of principle will determine the tenor of the talk at the latter, especially as regards the United States' attempt to prevent the implementation of the Russian-Iranian nuclear deal. Nevertheless, D. Ryurikov, the president's adviser on international questions, stated to IZVESTIYA's correspondent that "disagreements in Russian-U.S. relations on individual questions do not affect the fundamentals of the interstate ties between our two countries." In short, although Moscow will become the center of the world community's question in the next few days, it does not intend to shock the world.

Kozyrev Addresses WWII, Diplomatic Corps Veterans

LD0605195095 Moscow ITAR-TASS in English 1926 GMT 6 May 95

[By Dmitriy Gorokhov]

[FBIS Transcribed Text] MOSCOW, May 6 (Itar-Tass)—The leaders of 52 countries will attend the V-Day celebrations in Moscow on May 8-9, Russian Foreign Minister Andrey Kozyrev said.

Speaking at a meeting with World War II and diplomatic corps veterans in Moscow on Saturday [6 May], Kozyrev said Russian President Boris Yeltsin will have a meeting with Chinese President Jiang Zemin on May 8. He will also meet U.S. President Bill Clinton and other foreign leaders.

The foreign minister noted the great contribution made by Soviet diplomats during the war to forging the anti-Hitler coalition, overcoming the hardships on the long way to victory, consolidating its results and establishing the United Nations. He pointed out that the present generation of Russian diplomats continues their cause.

Russia has built "even relations" with the rest of the world, including the war-time allies and the countries which were its foes in the past and which have "become democratic countries and our partners as a result of post-war transformations."

According to Kozyrev, this has become possible after Russia has "removed 'ideological fetters' which plunged us, to the detriment of our own national interests, either into exaggerated friendship or an ideological confrontation with other countries."

The minister believes that one's national interests can be defended best of all through partnership in which no country considers another country as a "super-friend" or a "super-foe."

"We will be allies with those who want to cooperate with us on a healthy basis. With those who is going to be in confrontation with us over some issues we will surely and, I think, strongly argue," he said.

Naval Parade for Victory Day Held in St. Petersburg

LD0805113095 Moscow ITAR-TASS in English 1037 GMT 8 May 95

[By Yelena Yugina]

[FBIS Transcribed Text] ST. PETERSBURG, May 8 (Itar-Tass)—Russia's main V-Day naval parade was held in St. Petersburg today. At 10:00 hours in the morning troops of the Petersburg garrison lined up in battalion columns on the Admiralty embankment. Battalions of Naval academies, military schools and units of the garrison together with the composite band of the district solemnly marched behind standards of regiments, which took part in the war, along the embankment upto the Marsov field.

After the land forces the naval part of the festivities began. The cutters "Albatross" and "Pobeda" (Victory), on board of which were Admiral Feliks Gromov, the Commander-in-chief of the Navy, and Commander of the parade Admiral Vladimir Yegorov, who reviewed the parade, proceeded from the cruiser "Avrora" (Aurora) upstream the river Neva, passing by ships standing on the roadstead and greeting their crews.

For the first time in the history of the nation the parade became an international one. Along with ships from all the fleets of Russia, frigates and mine-sweepers from five countries of the anti- Hitler coalition formed by the United States, Great Britain, France, Belgium and the Netherlands participated in the parade.

After the round the Admirals' cutters moored to the flagship "Smolny", on board of which a festive meeting was held. The Commander-in-chief of the Russian Navy delivered a greeting speech to the participants in the parade and congratulated everybody with the 50th anniversary of the Victory.

On a rostrum set up near the monument to Peter the Great in the historical Senate square were leaders of the city and the region, war veterans and numerous guests. The Russian government was represented by vice-premier Anatoliy Chubays.

Notwithstanding the rain, tens of thousands of Petersburg residents and visitors to the city watched the parade from bridges and embankments. A grand military and sports festival began on the Neva at noon.

Official on Baltic State's Position on Celebration

LD0505152295 Moscow INTERFAX in English 1338 GMT 5 May 95

[FBIS Transcribed Text] MOSCOW, May 5 (Interfax)—The Baltic countries position toward V-E Day "arouses disappointment and regret", Aleksandr Udaltsov, deputy director of the Russian Foreign Ministry's Second European Department declared in an interview with Interfax on Friday.

These states, as he put it, "have stayed aside" from jubilee festivities, and their actions betray "certain provincialism again."

The diplomat regards the Baltic leaders refusal to come to Moscow for V-E Day and their desire to mark festivities "a somewhat strange way" as part of "a single line, testifies to the fact that Russia's partners in the Baltic region have failed to overcome the syndrome of historical insults."

"And it is very regretful, because with such a complex we are not likely to move forward in earnest," Udaltsov noted, adding that what the Baltic states were doing "indicates that they clearly do not realize that they are dealing with a new Russia."

"Our country has always been confused with the Soviet Union of the Stalin era. No effort has been spared to blame it for the insults. This shortsighted approach stands no chance at all," Udaltsov explained.

He also dismissed as "totally improper" the frequently-expressed wishes that Russia apologize for the so-called occupation of the Baltic countries in the '40s. "There certainly won't be such wishers among Russian politicians, and to search for them in Russia is useless," Udaltsov stressed.

ITAR-TASS Carries Press Review for 6 May

LD0605061695 Moscow ITAR-TASS in English 0600 GMT 6 May 95

["Press Review"—ITAR-TASS headline]

[FBIS Transcribed Text] Moscow May 6 (ITAR-TASS)—Today's focus of Russian newspapers is on the 50th anniversary of the victory over Nazi Germany.

"Great Patriotic War Will Remain in Genetic Memory of the People", says the headline in the "IZVESTIYA" newspaper.

"Great Patriotic War affected the root system of almost every family, it entered as the very history the familial genetic memory of tens of millions," the article says.

"The jubilee has a piercingly sad note in it. If time be measured in half-centuries, there will be no living witnesses with living memories of the war by the next jubilee," IZVESTIYA writes.

NOVOSTI publishers published by the 50th anniversary of the victory three-volume memoirs of Marshal Georgiy Zhukov, with all previous censorship gaps refilled. "ROSSIYSKAYA GAZETA" publishes the excerpts banned by the Soviet-era censorship.

Two other Moscow's publishers, "Istoki" and "Planeta", also published books about Zhukov.

"These books devoted to soldiers of Great Patriotic War, the living and the dead, are a photo life story of the legend marshal," writes the army newspaper "KRASNAYA ZVEZDA". "In addition to memorable, commonly known photos, the books also present unknown photos of private, familial character. They impart a warmth to the books, and are an organic addition to the marshal's letters to his loved ones and to reminiscences of those who were always near him or saw an episode of him in unforgettable circumstances.

The newspaper "RABOCHAYA TRUBUNA" publishes the speech of Zhukov to the Victory Parade of June 24, 1945.

"PRAVDA" informs that "a Russian Orthodox church has been erected near Prokhorovka, the battlefield of glory of the Soviet people, as a tribute of memory and respect to the heroic defenders of Fatherland".

"ROSSIYSKIYE VESTI" publish "Private School within Law", an article on education issues. The article addresses the draft law on "Non-State Education in the Russian Federation" and calls on the parliament to keep the state free education system in place.

"Our state system of free education must not be demolished—it is accepted as one of the best in the world. Let us improve what we have. Even though the 1992 Education Law is imperfect, a simpler option is to refine it through amendments rather than scrap the entire education system," the article says.

The daily "TRUD" addresses "a disturbing tendency of general decline of living standards in Russia". The newspaper quotes new statistics, saying that "the wage of 30 millions of Russians is below a living minimum".

"This indicates that our social sphere still requires close attention, and urgent and effective buffer measures," the article says.

The newspaper "SOVETSKAYA ROSSIYA" publishes a front-page open letter of Nikolay Mamontov, Samara's resident, "a citizen of the Soviet Union in his soul and his passport. Mamontov pours criticism on the American President for his "backing of the present Russian regime".

"PRAVDA" publishes a statement from General Varennikov, chairman of the public organising committee for Victory Day celebrations, one of leaders of the earlier pro-communist coup.

"PRAVDA" says only some 4,000 of 240,000 war veterans living in Moscow will be able to take part in May 9 official parade in Red Square.

The organising comittee blames Moscow and federal authorities which "banned veteran marches in the main street of the city".

Pastukhov on Georgia-Abkhazia Talks in Moscow

LD0405204195 Moscow Russian Television Network in Russian 1900 GMT 4 May 95

[From the "Vesti" newscast; passages within quotation marks are recorded]

[FBIS Translated Text] Consultations on the problem of a Georgia-Abkhazia settlement have been held in Moscow for several days now. Taking part in them are Georgian Ambassador Vazha Lordkipanidze; Vladislav Ardzinba, head of the Abkhazian Republic; and Aleksey Bolshakov, deputy chairman of the Russian Government.

[Correspondent Tumanova] In the talks with Russian Deputy Foreign Minister Boris Pastukhov important agreements were reached.

[Pastukhov] "The sides reaffirmed they were ready to put an end to the military confrontation. The sides reaffirm their consent to live in a single state. And the sides believe that Russia could come out as a guarantor of the fulfillment of those agreements the sides could in the long run could arrive at."

[Tumanova] Nevertheless, serious disagreements remain. Georgia is in favor of a unitary state, with Abkhazia being granted the statutory rights of a component of the federation. Abkhazia favors an equal alliance of equal republics and a law of the federation. How does Russia see it?

[Pastukhov] "We, of course, are urging the sides to come to an agreement on the basis precisely of the federal structure of a single state."

[Tumanova] The question of the refugees is still an acute one at the talks. The return to Abkhazia of tens of thousands of peoples is a major problem, but the Russian side is confident that they will soon manage to solve this task. The consultations are continuing.

Further Nuclear Units To Be Supplied to Iran

LD0505182595 Moscow INTERFAX in English 1640 GMT 5 May 95

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] MOSCOW, May 5 (Interfax)—Russia intends to sign new contracts with Iran on the construction of another three energy units at the nuclear power plant in Busher, a senior official in the Russian Ministry for Nuclear Energy (Minatom) told Interfax on Friday.

He said that this possibility was spelled out in the intergovernment agreement of August 25, 1992 on cooperation in the construction of the nuclear power plant in Iran.

"We have plans to sign contracts for the construction of the second energy unit at the plant in Busher with the light-water reactor VVEP-1000 [water-cooled, water-moderated reactor] (1,000 megawatts), as well as the third and fourth energy units with similar reactors VVEP-440 (440 megawatts), said the expert.

He noted that "the total value of the new contacts for the construction of these three energy units would be around $2 billion".

He said that already 180 Russian specialists are staying in Iran. "They are to study the plant's state in Busher, which was began to be built by German firms," he said.

The cost of the contract, in line with which Russia will complete the building of the first energy unit at the Busher nuclear power plant, amounts to around $800 million.

The expert admitted that between Russia and Iran there is an understanding in principle to train Iranian nuclear experts in Russia for work with Russian equipment to be installed at the nuclear power plant in Busher.

However, said the spokesman, "the understanding is only verbal and no documents have been signed on this score."

The spokesman described as an "invention" the reports about Russia's intention to sell Iran centrifuges for enriching Uranium. No one has signed any protocols nor contracts about such a deal," he said.

Official on CIA Report on Iran's Nuclear Program

LD0505183495 Moscow INTERFAX in English 1640 GMT 5 May 95

["CIA INFORMATION DID NOT INFLUENCE RUSSIAN INTELLIGENCE CONCLUSIONS ABOUT TEHRAN'S NUCLEAR PROGRAM"—INTERFAX headline; from the "Diplomatic Panorama" feature: by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] MOSCOW, May 5 (Interfax)—Iran does not have a nuclear weapon, "nor does Russia's Foreign Intelligence Service (SVR) have any evidence to suggest that Iran is pursuing a coordinated nuclear program," Tatyana Samolis, SVR spokeswoman declared in an interview with Interfax Friday [5 May].

"SVR experts agree that without help from outside Iran is unable to arrange the production of weapon-grade nuclear materials," she said.

Charges that "Iran's nuclear program is intended for war is often based on clearly unverified information," Samolis remarked.

She drew attention to the fact that Iran had ratified the Nuclear Nonproliferation Treaty [NTP] in 1970 and since 1992 had been enabling IAEA to inspect any nuclear sites on its soil. "Not a single IAEA [International Atomic Energy Agency] inspection has revealed the breach of the NTP provisions," Samolis said.

At the same time, she emphasized that "the SVR is continuing to check the best it can on how various countries, Iran included, comply with the nonproliferation of nuclear weapons."

Asked by Interfax how Moscow assesses the classified CIS report [as received] that Iran conducts nuclear research for military purposes, Samolis replied: "So far nothing has happened to induce us to alter our position on this problem. If the SVR gets fresh information or some alarming signals, stressing the need for action, I think we will act." The classified CIS report [as received] was brought to the knowledge of Russia's leadership by U.S. Defense Secretary William Perry.

Davydov: U.S. Market Closed to Russian Uranium

LD0605151595 Moscow ITAR-TASS in English 1332 GMT 6 May 95

[By Irina Bolshova]

[FBIS Transcribed Text] MOSCOW, May 6 (Itar-Tass)—"We are ready to sell to the United States all the Russian unenriched uranium intended for export and will not look for other partners if the United States opens its market for the Russian nuclear materials," Russian Vice-Premier Oleg Davydov told Itar-Tass.

"Russia is forced to look for new markets by the existing restrictions on its sales of these goods to the United States," he said.

At present, Washington imposes such quotas and other import restraints on the import of Russian raw-uranium which "make its sales unprofitable", Davydov said.

Earlier, Russia exported to the United States between six and ten tonnes of uranosouranic oxide every year, but now the supplies do not exceed two thousand tonnes, the vice-premier lamented.

Davydov acknowledged, however, that on the whole, trade and economic relations between Russia and the United States were developing quite successfully as a result of efforts made on both sides.

For example, trade turnover between the two countries increased by one billion dollars in 1994 from 1993 to six billion dollars.

Russia for the first time had a favourable trade balance in its exchange with the United States, the vice-premier disclosed.

"Much has been done but there is still more to be done," Oleg Davydov said. "In particular, Russia is awaiting the scrapping of such a cold war vestige as the Jackson-Vanik amendment, the recognition of Russia as a country with economy in transition, and expansion of its access to the American market," he said.

Davydov on Difficulties in Trade With Iran

LD0505142295 Moscow ITAR-TASS in English 1340 GMT 5 May 95

[By Gennadiy Yezhov]

[FBIS Transcribed Text] MOSCOW, May 5 (Itar-Tass)—The trade- and-economic relations between Russia and Iran are characterised by "high instability" owing to the impossibility for Tehran to repay its debt, amounting to 600 million U.S. dollars, to Moscow in the coming years, which questions future large-scale deals, Oleg Davydov, Russian vice-premier and minister for foreign economic relations, has told Itar-Tass.

At the same time the vice-premier emphasised that the earlier planned deliveries of Russian nuclear reactors to that country "do not violate the strictest principles of non-proliferation of nuclear weapons and technologies".

Russia's final stand on the U.S. proposal to apply a trade embargo against Iran and give up the earlier concluded contract for the delivery of Russian nuclear reactors to Tehran will be clarified as a result of the forthcoming talks between Boris Yeltsin and Bill Clinton in Moscow on May 9, Davydov pointed out.

"The present-day trade-and-economic relations with Iran are notable for rather a high instability which is brought on by the fact that the Iranian economy is experiencing a deep crisis. This economic aspect will undoubtedly entail political consequences and cannot but have an effect on our bilateral relations," Davydov said.

Iran's overall indebtedness in other countries has amounted to more than 30,000 million U.S. dollars. Tehran requested a rescheduling of its debt to Russia over a span of 8-10 years. Therefore, naturally, the economy of the Russian Federation may not provide its resources on credit with rather uncertain guarantees that the Iranian economy would begin to recover shortly.

"Russo-Iranian trade decreases at a rather rapid pace due to Iran's lack of finances. Therefore, the construction of facilities on Iranian territory—electric heating-and-power plants and nuclear power stations—is proceeding with great difficulties. Iran repays very little and at times we lack funds even for the maintenance of our specialists. This also applies to the delivery of special equipment," Davydov pointed out.

The vice-premier emphasised that the Iranian economy develops so far resultant, mainly, of oil shipments. However, the revenue actually gets spent and no tangible progress is observed in the Iranian economy.

Moreover, the application of a trade embargo—which other countries would undoubtedly join in if the Washington-levelled accusations against Iran that it is involved in terrorism are corroborated by convincing evidence—would be a mortal blow to it, the vice-premier said.

Davydov believes that the state of affairs is serious enough. Those Russian companies which think that they would make money in Iran may seriously miscalculate.

On the other hand, the Russian vice-premier said, "Iran is our neighbour and we have got to maintain certain economic relations with it. We are in favour of normal trade with that country but not on credit and not at the expense of Russia. Bilateral trade should be a balanced one, with payments made for the supplied resources."

As far as the reactors issue, raised by the Clinton administration, is concerned, Russia at one time decided to finalise the construction of the Bushehr nuclear power station which had been left unfinished by Germany, Davydov said.

"Specifically, we plan to supply Iran with a water-water [as received] reactor which does not produce fissionable elements which could be used in the development of nuclear weapons. The reactor fuel which Russia will supply will be low-enriched uranium which cannot be used to produces nukes," Davydov pointed out.

It must be also recalled that Iran is a party to the Treaty on Non-Proliferation of Nuclear Weapons and that fuel to the Bushehr nuclear power station will be delivered under a close monitoring of the International Atomic Energy Agency (IAEA).

Analysts believe that during the forthcoming Russian-U.S. summit meeting in Moscow, the unsettled nature of trade-and-economic relations between Russia and Iran may become an additional factor to influence Boris Yeltsin's decision on whether to heed or not Bill Clinton's arguments in favour of cancelling the nuclear deal with the country which, in the opinion of the White House, sponsors terrorism.

Iranian Deputy Foreign Minister on Visit

Energy Cooperation Discussed

LD0505213695 Tehran IRNA in English 2045 GMT 5 May 95

[FBIS Transcribed Text] Moscow, May 5, IRNA—Russian Fuel and Energy Minister Yuriy Shafraniq here Friday announced his country's readiness to cooperate with Iran in various fields concerning energy, especially in the oil sector. In his meeting with visiting Iranian Deputy Foreign Minister for Euro-American Affairs Mahmud Va'ezi, the Russian official underlined that Moscow was willing to expand relations and cooperation with Tehran at various levels.

The two sides exchanged views on Irano-Russian experience in exploration, extraction and export of oil and on mutual cooperation in future. They also agreed on forming working groups and exchange delegations in this regard.

Chernyshev-Va'ezi Meeting Reported

LD0705194395 Tehran IRNA in English 1918 GMT 7 May 95

[FBIS Transcribed Text] Moscow, May 7, IRNA—Russian Deputy Foreign Minister Albert Chernyshev said to his Iranian counterpart Mahmud Va'ezi here Saturday that his government respects its commitments to Iran especially as concerning the nuclear power station at Bushehr port. He said Russia was opposed to (U.S.-led) economic sanctions against Iran.

The Iranian official appreciated the position of the Russian Government, saying Iran and Russia had prospects for broad cooperation in every area in addition to peaceful application of nuclear power.

Va'ezi stressed that relations between Iran and Russia were now at a level that should not possibly be adversely affected by pressure from another power.

The deputy foreign minister of Russia said U.S. President Bill Clinton was expected to bring up the topic in his scheduled visit with the Russian president, but made it clear that his government intended to remain as assertive as before.

The two officials also discussed the ways and means for exchanging delegations as well as solving their finaicial problems.

Davydov, Vengerovskiy Cited on Talks

LD0705233595 Tehran IRNA in English 2247 GMT 7 May 95

[FBIS Transcribed Text] Moscow, May 7, IRNA—Russian Deputy Premier Oleg Davydov has expressed Moscow's desire for expansion of economic and technical cooperation with Tehran and called on Iran to consider Russia as its "strategic ally".

Davydov had made the remark here on Saturday in a meeting with Iranian Deputy Foreign Minister for Euro-American Affairs, Mahmud Va'ezi, who left Moscow for Dushanbe, Tajikistan later last night.

Davydov voiced his concern over the stagnation which has prevailed over Tehran-Moscow economic cooperation, during the past year, and said oil cooperation between the two countries will help consolidate bilateral ties in various sectors.

Underlining speedy settlement of bilateral commitments, he assured Va'ezi that Tehran-Moscow ties will be continued on the basis of reciprocal interests.

Va'ezi said economic ties between the two countries should keep pace with the bilateral political relations. He emphasized the necessity for further activation of the Tehran-Moscow Joint Economic Commission and offered several proposals in this regard which were welcomed by the Russian official.

Later yesterday, Va'ezi held discussions with Deputy Speaker of the Russian State Duma, Aleksandr Vengerovskiy, who too laid stress on the necessity for continuation of Tehran-Moscow nuclear cooperation for peaceful purpose, especially for completion of Iran's Bushehr power plant. Vengerovskiy was of the opinion that a Moscow-Bonn-Tehran axis will be of great geopolitical importance.

Referring to the ample grounds which exist for further cooperation between the two countries, he said Tehran has a firm political desire for expansion of cooperation with Russia in various fields. Cooperation between the two neighbouring countries will help security and stability in the region, Va'ezi added. Despite the dissatisfaction from certain quarters over cooperation between regional states, Iran and Russia will continue their cooperation and will not let others decide regional issues.

On Saturday, Va'ezi also met with Chairman of Russian Industrialists and Employers Union, Arkadiy Volskiy, and agreed on the setting up a joint Tehran-Moscow industrial commission.

Sale of Light-Water Reactors to Iran Viewed

LD0505232995

[FBIS Editorial Report] Moscow Russian Public Television First Channel Network in Russian at 1910 GMT on 5 May carries the "Versions" program, a 15-minute current affairs program presented by Sergey Dorenko on Russia's plan to sell light-water reactors to Iran. The program includes prerecorded interviews with Atomic Energy Minister Viktor Mikhaylov, Grigoriy Karasin, director of the Foreign Ministry's Information and Press Department; and Yeltsin aide Dmitriy Ryurikov.

Dorenko spoke to Mikhaylov in his office on 5 May. The interview opens with Mikhaylov speaking:

[Mikhaylov] "We have been talking about real money here. Russia is not giving any loan whatsoever. We have signed a contract and there was no loan part in the agreement. The only thing is that we are going to take on Iranian builders for part of the construction of the first unit, Bushehr-1."

[Dorenko] "Have the Iranians already started to pay for the project or haven't they?"

[Mikhaylov] "Yes. We have a government pledge that Russia will build the Bushehr-1 unit and the Iranians have undertaken to make regular payments."

[Dorenko] "Has any money been received?"

[Mikhaylov] "Money is being received for the work we are now carrying out to inspect the equipment supplied by the Germans in their time and for the reconstruction we will have to carry out on the cement part of the foundation. This stage ends some time in October of this year."

[Dorenko] "How much does it cost?"

[Mikhaylov] "I cannot now give you the exact figure for this stage, but it costs up to about $5 million. That is an approximate figure. You understand that commerce is commerce and a commercial secret is a commercial secret."

[Dorenko] "Of course, but what sort of figures are we talking about, because if there is a divergence in figures, then I think that it is because people are counting four reactors or one or two."

[Mikhaylov] "Yes."

[Dorenko] "So what are the exact figures actually already signed on paper? What are we risking and, on the other hand, what do we stand to receive?"

[Mikhaylov] "For now there is only one contract signed on both these agreements. One contract worth $800 million for the completion of the first unit at the Bushehr station has been signed. It is called Bushehr-1—$800 million dollars. If we are talking about four, then it will be approximately four times that amount—more than $4 trillion. That is the sort of sum under discussion in this connection under these agreements."

[Dorenko] "And if we develop the extraction of uranium and help them to process waste materials and, generally speaking, run Iran's atomic industry, then the figures are going to rise and rise?"

[Mikhaylov] "Well I will say that the delivery of fuel and the processing of fuel mean additional millions of dollars yearly."

Dorenko resumed his interview with Mikhaylov towards the end of the program, introducing the excerpt thus: "It is nice to believe the Americans and even nicer to believe your own authorities, but we usually believe neither. We needed the opinion of a specialist and today [5 May] we put some naive questions to the head of the Russian Atomic Energy Ministry, Viktor Mikhaylov."

[Dorenko] "I would, though, like a layman's explanation of this. I know from physics that you should not stick your finger in a socket. Well, you are a physicist. Can you explain for me why it is impossible to make nuclear weapons with a light-water reactor? Is it impossible?"

[Mikhaylov] "No, I cannot say that it is impossible, but the path you would need to take is far too long. First of all, you would need to be able to handle this processed fuel. You would need to have a colossal industry in order to remove these rods—these fuel installations are in the form of rods—and process them and extract isotopes. In other words, you would need to have a modern radiochemical industry. You would also need to have a special metallurgical industry to work with these materials—with highly enriched uranium, for instance, with highly enriched plutonium. You would then need to have the so-called non-nuclear components of nuclear weapons which are extremely complex modern devices with high technological requirements—the very highest."

[Dorenko] "But you could make a really small bomb, though?"

[Mikhaylov] "Everyone has been trying to make a really small bomb."

[Dorenko] "There have been reports that terrorists are now capable of even making one in a kitchen."

[Mikhaylov] "With regard to terrorism, we could talk another time. Nobody is going to make one in a kitchen. Do you understand? Because you cannot build an atomic power station in a kitchen. Actually, it is a lot easier to build an atomic power station than to make nuclear bombs.

"Iran has frequently demonstrated its work to the International Atomic Energy Agency [IAEA] and nothing prohibited has been found. No deviation from civilian use has been discovered and it has to be said that the IAEA representatives have frequently said with regard to all this fuss that has been raised that they do not have any criticisms. They are international experts and Iran was one of the first to say that the IAEA could carry out inspections of any installation they wished to see on its territory without preliminary notification. That is what the United States is today trying to get North Korea to agree to."

[Dorenko] "But it could happen that an inspection discovers something and Iran is able to fall out with everyone because it already has a nuclear bomb."

[Mikhaylov] "In that respect, I can tell you that I have been asking the United States for a long time now, because I consider it necessary, to step up the efficiency of the IAEA's inspections."

[Dorenko] "Have you been offered any sort of compensation?"

[Mikhaylov] "Nothing was proposed to me, but today I hear a lot of talk along the lines of it being possible to somehow change these projects for some other projects—with North Korea, for instance. I will tell you how I see it. An agreement between countries, between governments, is not something to be haggled over."

[Dorenko] "If the president says on 9 May that a compromise has been found and the deal with Iran is shut down completely, how will you come out of this transaction without losing face?"

[Mikhaylov] "My answer is this: The president of Russia, Boris Nikolayevich Yeltsin, answers for the whole country, for every area, for everything. I am convinced of his strength of character—and I have sometimes come into contact with him in the course of my work. Just as he will see the reform of Russia through to the end, he will demonstrate his firm character here. What will his decision be? We will find out."

The program then shows Grigoriy Karasin speaking in an office. He says: "Our position is extremely clear and simple. The project which now exists for the deleivery of light-water reactors to Iran completely complies with all of the standards of the IAEA. Incidentally, our cooperation is also monitored quite rigorously by the IAEA. We are open to and welcome such cooperation. Furthermore, Iran is a signatory to the nuclear Non-Proliferation Treaty, so neither we nor our partner nor the international community have any proven objections to this contract. Therefore, we are saying that the contract will be carried out. It is another matter that we will not agree to any project or any deal which hypothetically could lead to an easing of access to the potential that would allow Iran or any other country to manufacture nuclear weapons. In other words, this position is in a way dual, but as far as the reactor project is concerned, it will be carried out."

Dorenko is next shown speaking to Dmitriy Ryurikov in a lobby. Dorenko asks if Russia would be making any concessions at the coming talks between Yeltsin and Clinton.

Ryurikov responds: "There are no plans for any particular concessions. There are specific questions. We will discuss them and make decisions on the basis of justice, fairness, and our interests and that is everything. We may take a particular point of view if it is proved to us that it really is the right one. And that is it. Let's wait and see."

Experts Disagree on Technology Transfer to Iran

LD0605154695 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1745 GMT 5 May 95

[FBIS Translated Text] There is "nothing about the installation of centrifuges or the transfer of centrifugal technology" in Russia's agreement with Iran on the construction of a nuclear power station, Georgiy Kaurov, the head of the information directorate of the Russian Ministry for Atomic Energy, said in an interview with Ekho Moskvy radio station. He was refuting a WASHINGTON POST report that an understanding exists within the agreement that Russia would grant Iran an installation for production of enriched uranium.

In any case, G. Kaurov thinks "delivery of equipment to produce enriched uranium can exist without violating the treaty on the nonproliferation of nuclear weapons if Iran takes responsibility not to produce weapons and the IAEA [International Atomic Energy Agency] guarantees all Iranian technology."

Aleksey Yablokov, chairman of the Russian Federation Security Council's Interdepartmental Commission for Ecological Safety, said for his part in an interview with Ekho Moskvy radio station that there is an understanding on the delivery of centrifuges to Iran in a protocol to the agreement signed between Russia and Iran. "According to the protocol, delivery is not an immediate task but will take place in six months or so," A. Yablokov specified.

Yablokov emphasized that in this regard "a number of questions arise to which there is a single answer: it is the military atom that Iran wants to develop."

"If Iran has a nuclear station it won't need a uranium enriching facility at all. It is thousand times cheaper to buy fuel, which is necessary for the power station, from the same country which is building the station," he said. "According the the protocol to the agreement, we will train 100 Iranian specialists in our classified facilities. But why does Iran need so many specialists for one power station?"

"Iran, with its enormous supplies of gas and oil, should also explain to the world community why it needs to develop nuclear power engineering at all, as it is much cheaper to obtain energy from gas and oil."

"The enrichment of uranium, large-scale training of specialists, modern nuclear technologies which Russia will inevitably pass on to Iran, together with the power station—this is all very dangerous," he believes.

Criticism Said To Compel Clinton To Meet Kovalev

MM0505135295 Moscow IZVESTIYA in Russian 5 May 95 p 3

[Article by Vladimir Nadein: "Clinton Reviews Decision and Invites Sergey Kovalev to White House"]

[FBIS Translated Text] Washington—No society is perfect and therefore the imperfections remain a constant theme. They are varied, never-ending, and therefore never pall.

Freedom House, the public organization which invited Sergey Adamovich Kovalev to the United States and organized hearings in the U.S. Congress, asked the White House for President Bill Clinton to receive this leading Russian politician.

Now let us hear from THE WASHINGTON POST, which voiced the following opinion Wednesday: "In 1975 President Ford refused to meet Aleksandr Solzhenitsyn because of the writer's opposition to the Soviet leadership and the policy of detente being pursued at the time. Now President Clinton, who is quite clearly afraid of turning the Russian leadership against him on the eve of the Moscow summit, has failed to find time in his schedule to meet Russia's conscience—Sergey Kovalev, who is now visiting the United States at the invitation of Freedom House."

Editorial commentator Lali Veymaut [name as transliterated] goes on to briefly summarize Kovalev's view of events in Chechnya, their effect on the development of the situation in present-day Russia, and also the idea constantly underlined by Kovalev that the "government of President Boris Yeltsin has lost the support of democratic forces and has begun to rely on the support of nationalist elements, including extreme right-wingers, who provide the basis of the support for the invasion of Chechnya."

The article cites the fact that Boris Yeltsin met with Sergey Kovalev and heard his proposals regarding the peaceful resolution of the conflict, but showed no interest in them. Drawing a parallel between the two leaders, the author then wrote: "It should come as no surprise that Clinton is showing no interest in what Kovalev might have to say about Russian atrocities in Chechnya. Ultimately, it is not surprising that Clinton preferred to celebrate the 50th anniversary of the end of the European phase of World War II in Moscow rather than in London."

The author goes on to speak of the growing disagreements between Russia and the United States and lists the most important points: Iran (the reactor sale), Iraq (disagreements over lifting the embargo), the CFE Treaty, which Russia is asking be revised, Bosnia, and the expansion of NATO.

There are also considerations of etiquette, which are recalled by the custodians of protocol but were not mentioned by the writer in THE WASHINGTON POST. Clinton met with Russian Foreign Minister Andrey Kozyrev for just a few minutes, although usually such conversations, bearing in mind that this occurred just before a visit, take far longer The President did not meet with Anatoliy Chubays or Ivan Rybkin. In these conditions the conversation with Sergey Kovalev, which by its very nature cannot be fleeting, becomes particularly significant.

There is criticism of the country's President every day in the U.S. press on virtually every page. But there are complaints and there are complaints. Sergey Kovalev is attracting increasing attention from the U.S. public. He represents the man of honor and courage that intellectuals here saw first in Mikhail Gorbachev and then, to an even greater degree, in Boris Yeltsin. The abundant evidence of the degradation of public opinion in Russia, the insuperable corruption among those who until recently called themselves democrats, and their flight en masse to take up the positions of the communist-patriots and ultranationalists all run counter to the notions held by a considerable proportion of the U.S. elite regarding the intelligent, well-educated, bold Russians, who still show the whole world how well they can avail themselves of the fruits of freedom.

Is Sergey Kovalev resurrecting illusions? Or reviving hopes? Either way, his restrained manner, intellect, erudition, and humor embody the best elements in Russia: humanity, goodness, compassion, courage, staunchness in the face of threats, and contempt for the authorities' promises of wealth.

All this could be sensed both at the Congressional hearings and at the ceremonies where Sergey Adamovich was presented with lofty awards and prizes—as is customary in the human rights movement, they are not accompanied by monetary awards. The commentary in THE WASHINGTON POST simply recorded the differences between the sincere attention shown by the U.S. public and the administration's formal restraint.

The mountain is not coming to Muhammad. The public does not humor presidents. Toward evening on the day that the critical commentary was published there came an announcement from the White House that President Clinton had given orders for his entire schedule on Thursday to be changed and to find time for a talk with Sergey Adamovich Kovalev.

Kozyrev Interviewed on NATO, Baltics, Chechnya

LD0705215995 Moscow NTV in Russian 1700 GMT 7 May 95

[Interview with Foreign Minister Andrey Vladimirovich Kozyrev by anchorman Yevgeniy Kiselev, in an unidentified office on 6 May; first paragraph is Kiselev introduction; from the "Itogi" program—recorded]

[FBIS Translated Text] [Kiselev] On the eve of the celebration of the 50th anniversary of victory in the Great Patriotic War, many critical words have been said about the head of the Russian foreign service, Andrey Kozyrev. And on this note we began our interview with the Russian foreign minister which was recorded yesterday:

Andrey Ivanovich, the Russian press described you as a power [silovoy] minister after your memorable statements on the acceptability of using force to defend the Russian-speaking population outside the borders of our country. You explained the reasons behind the toughness of these statements in Copenhagen and the United States. The NEW YORK TIMES, for instance, described your explanation as—and I quote—a petty attempt to justify yourself. So how do you feel about comments of that sort?

[Kozyrev] Well, first of all I do not see anything offensive about being described as a power minister, and on the whole I think that, first of all, foreign policy should be powerful and that does sometimes mean the use of force to defend one's own citizens and to defend the civilian population—which is what we are doing in Tajikistan, for instance—when there are no other means available and everything has been exhausted. That is what I have been trying to explain here, and that is what I have been trying to explain abroad, so it is not a case of me saying one thing over there and another back here.

[Kiselev] Regarding the idea that Russian policy should be very strong on occasion, we could consider an example from this week: Skrunda. The unfinished Russian radar station at Skrunda was destroyed at the virtually unilateral decision of the Latvian authorities. Don't you think that the whole Skrunda episode is a symbol of the impotence of Russian foreign policy with regard to the Baltic countries?

[Kozyrev] I would not say that at all. This is all a lot more complex, of course, and one can to some extent understand the keen desire of our Baltic neighbors to get rid of such reminders of that period which, generally speaking, had its roots in the Ribbentrop- Molotov Pact and we should not pretend that it never happened. We all now remember and are celebrating the victory which really was won by the Russian people, by the people of the Soviet Union, a colossal victory, in spite of Stalin's regime, I would say. I would not, on the whole, forget the crimes of Stalin's regime.

It is another matter that the Baltic states go too far. Their actions have a clearly nationalistic subtext. And so, of course, I agree with you that the fact that this explosion was clearly arranged and timed does not point to a very strong and confident policy. But I believe that we should not view every action of this perhaps rather rash and rather ungainly sort as a national humiliation for us. What have we to be afraid of when it comes to the crunch?

Our press now, for example, is taking this almost like a national humiliation to the extent that it is almost portraying it as a challenge to Russia and so on. But at the end of the day take a look at the map, take a look at the realities of life—what will they do if they don't have goodneighborly relations with Russia? But the fact that they are living through a period of turmoil deserves, I would even go so far as to say, our sympathy. It is another matter when this takes the form of laws which retrict civil and other rights of part of the population and the Russian population, in particular. When this is the case, we do of course raise our voice, bring this question up at the international level, set out to get answers, and we have other levers, too, and they work. Sometimes we withhold most favored nation trading status, and that naturally has a hard effect on these small states.

[Kiselev] The latest issue of MOSCOW NEWS newspaper claims that you, the Russian foreign minister, gave the Americans certain pledges that you would persuade the Kremlin to take a decision to back the expansion of NATO. However, in the opinion of this newspaper, this met a tough rebuff on the part of the Russian president, Boris Yeltsin, who even criticized you in public at a collegium held in the foreign ministry in March, saying that it was not a matter for discussion at all. And now, according once again to MOSCOW NEWS which cites one of the members of the American delegation in Copenhagen, you literally went down on your knees during your visit there to beg your western colleagues not to expand NATO. Is that true?

[Kozyrev] Well, one gets the feeling that someone wants very badly to drive a wedge between President Yeltsin and a foreign policy aimed at defending our interests through partnership instead of confrontation and, in particular, a wedge between the president and me personally and to once again create something like the image of the enemy in the person of NATO, a bloc which is not hostile toward us. As for the gist of the question, then we have a clear directive from the president which basically comes down to this, that we oppose the hasty expansion of NATO but support partnership with that alliance. That is the policy we uphold and I tried to uphold—to defend, if you like—during my conversations with foreign colleagues, and I am certain that the conversation between the two presidents in the Kremlin on 10 May will be a conversation about mature partnership, although, once again, we will say, clearly and squarely, that we do not want to see NATO expanding.

We want to establish partnerlike relations with NATO. We do not want to be dictated to on certain other issues—and such attempts are, unfortunately, being made. But nor will we allow any return to confrontation and nor will they. But on the issues where we do have something to argue about we will argue, as they say, until we are blue in the face.

[Kiselev] Regarding potential points of disagreement and thorny issues, Czech President Vaclav Havel explained his decision to attend the commemorations in Moscow by saying that he was going to Moscow not to salute the Russian troops fighting in Chechnya but to thank the thousands of Russian war veterans. Other foreign heads of state are taking the same view. For instance, it is symbolic that an American freedom award was given to Sergey Adamevich Kovalev, whose views on the events in Chechnya are, to be frank, diametrically opposed to those of the authorities. Will the Russian leadership manage to avoid tough, impartial [nelitsepriyatnyy] talk on the subject of Chechnya during its meetings with President Clinton and the other leaders of the western powers?

[Kozyrev] I don't think that we are making a point of avoiding such discussions. One event which is perhaps without precedent in recent times is the fact that such an internal tragedy, such an internal problem as that of Chechnya, is an open question here. We are discussing this problem with our foreign partners and on an institutional basis, I would like to stress. There is the Organization for Security and Cooperation in Europe [OSCE], which has already sent diplomats and missions on many occasions to Chechnya and to that region as a whole, and they are hardly ever away from Moscow. This mission is now assuming a permanent nature and they give their assessment of things and their crticisms, too, both with regard to human rights there and how force is actually been employed.

We have foreign guests coming to us and asking about our human rights situation and we say: Yes, human rights are not an internal issue. That, incidentally, is why both the president and I and all of the others have the full moral right to raise the question of what is going on in the Baltic states among our western colleagues. We are open to self-criticism and to criticism from the OSCE, certainly we are, but we want the OSCE to defend the rights of the Russian-speaking population in the same Baltic states for the same reason - that human rights, your rights and mine, are not an internal question.

[Kiselev] On the basis of what you are now saying, on the basis of the fact that it is now commonly accepted in modern international relations that human rights questions, or, rather, violations of human rights, cannot be viewed as the strictly internal matter of the country in question, it could also be the case that the western leaders arriving in Moscow will seek to prove, to point out violations of human rights in Chechnya and to demand action by the Russian leadership to somehow correct the policy on that matter in a specific way. And generally speaking many people are saying that the very arrival of Clinton and the other western leaders in Moscow, in spite of the very tough criticisms of this decision by the Republican majority in Congress who have raised serious objections on this point; means that Moscow will have to pay. So how are we going to pay for the western governments' rather restrained position on the Chechen problem?

[Kozyrev] No, we won't we paying. That is not the point, in my opinion. And essentially there is nothing to divide us. The facts ...

[Kiselev, interrupting] Forgive me for interrupting, Andrey Vladimirovich, but nonetheless, in spite of everything, disagreements do exist. Certain criticisms do exist which are brought up by the U.S. side with regard to Russia. There is a well-known point on which our views diverge and if they go along with us on some points then clearly we will be expected to go along with them on certain matters. International relations are a two-way street and there is no such thing as a free lunch.

[Kozyrev] Well, yes, but what are they going along with? I also want to say that we are all going along with the recognition of historical realities. We invited them to Moscow, thus covering our part of the path. By coming to Moscow they are covering their part of the path and no one owes anyone else anything, and I am convinced that they are not obliged to pay us for this invitation and we are not under any obligation to pay anything for the fact that they are coming here, thereby demonstrating political and historical, if you like, wisdom.

But as for the discussion of the difficulties which exist between us, most of these have their origins in their own problems. What form should NATO actually take, for instance? What we are talking about is two presidents sitting down and once again going through all the pros and cons, looking at all the issues and trying to find a formula which will provide the optimal result.

[Kiselev] Here is one more question. In the context of the discussion of Russian policy with regard to the possible expansion of NATO and in the context of some other events, more and more often we are seeing hints in the press and not only in the press but, in my opinion, in Moscow's corridors of power, too, that the president is unhappy with Kozyrev and other Kremlin figures are unhappy with their foreign minister. So is there really a possibility that you will be resigning soon? And if the answer is no, then can you explain why? There is no smoke without fire, in my opinion.

[Kozyrev] It is hard to say. You have good connections. It is true, I remember that always, during five years, it is nearly five years since I became the minister of foreign affairs, and I am always asked this question. I think that during these five years I have pursued the president's course. It is not that the president has been pursuing my course but rather it is I who has been pursuing his course. I visited Yeltsin at the time when be was elected chairman of the Supreme Soviet and I became his foreign minister because I understood and still understand that it is Yeltsin who follows a course toward democracy inside the country and partnership abroad.

[Kiselev] But Yeltsin changes as well as his policy. Then your policy should change too if you pursue the president's policy.

[Kozyrev] On specific details, when differences arise, everything might happen. But I mean that as a matter of fact I do not see indicators for the time being that Yeltsin has changed his choice of democracy and partnership with the rest of the world back to a dictatorial regime and a kind of iron curtain again, only now within completely different borders and without any hope at all. That is why I do not think that I have got some problems with him, except for the usual ones. I cannot say that the president never corrected my stance. That would be absurd. This is not the point. If his policy radically changes—I do not know, whether it is your question—and what will happen ...

[Kiselev, interrupting] Is it possible that—this is my last question—in general can you imagine a situation when you resign under the current president?

[Kozyrev] Honestly speaking, I can hardly imagine that.

[Kiselev] Does that mean that you are with Yeltsin until the end?

[Kozyrev] I am with Yeltsin until the end. I think so, as I do not expect that he will—and it would be simply strange, and I do not know where this question appeared from—that he will suddenly change his policy now. He has successfully carried out his policy for five years. We have achieved a lot, so why should he now suddenly start changing his policy? That is why I think that those who are very eager for this are indulging once again in wishful thinking.

[Kiselev] Thank you.

Kozyrev Said Playing Into West's Hands

MK0705072295 Moscow ZAVTRA in Russian No 18, May 95 (Signed to press 2 May 95) p 2

[Report by A. Balakirev under the "Commentary No. 3" rubric: "'Trapped!..'"]

[FBIS Translated Text] A. Kozyrev's statement that Russia is intent on defending its compatriots outside the Russian Federation by all means available to it, including by military force, has elicited a new tide of anti-Russian rhetoric in the mass media of the near abroad, countries of the former socialist camp, and Greater Europe and the United States. Enthusiastic support for this stance by P. Grachev, whose name has become synonymous in the West with the word "Chechnya," has apparently added fuel to the fire.

This was immediately entered into the ledger of sins committed by contemporary Russia that has been kept by the West for some time; according to the Voice of America, these include the war in Chechnya, the intention to disregard the CFE Treaty in the event of NATO's expansion, the nuclear contract with Iran, and also "large-scale combat operations in Tajikistan and the involvement of Russian troops in the Georgian-Abkhazian conflict."

As a result of efforts by the mass media, the image of Russia is growing darker; the darkness is deepening and taking on the former outlines of a bear—vicious, absurd, deeply hostile to democracy, human rights, and all the values of Western civilization.

Meanwhile, Kozyrev, concealing a bearish snarl, goes to report to the Trilateral Commission, where he babbles guiltily about the need to take into account the sentiments in present-day Russia and about inroads by ultranationalists who periodically force the government to make harsh statements. He is trying to convince Western leaders that their assistance in carrying out Russian reforms is insufficient and that their distrust is groundless, as we have allegedly complied with all their conditions: 62 percent of our economy has already been privatized. Indeed, given the steeply rising share of property owned by Western companies, the thesis whereby Russia belongs to Western civilization is coming true—literally so. Kozyrev reproaches the West, which has been unflinchingly pursuing the objective of NATO's expansion: "You have pushed us into a trap!" A remarkable statement. Nods toward partners cannot conceal Kozyrev's actual admission of entrapment.

More importantly, however, this has explicitly revealed the West's strategy with regard to Russia, the stages of "a game plan." At a time when reform carried out under the slogan "The West Will Help Us" is in full swing, they suddenly remember that Russia is too large and unstable a country that is too complex and too different from all others to be simply included in world civilization. And when the country finally realized that the world community's entry into Russia is not identical to Russia's entering the world community, when its leaders faced the threat of having to foot these bills, they naturally had to adjust their conduct.

With a crumbling economy, a half-demoralized army, in conditions of a ruthless struggle between economic and government groups, in the absence of universally recognized goals and a clear perception of the country in the world—what else can be expected but off-the-cuff, inconsistent actions and statements with extremely high costs and extremely low efficiency that contain an irretrievable element of ambiguity and provocation? For instance, why should Kozyrev and Grachev threaten neighbors with Russia's military might if even economic measures, which would be quite effective in our circumstances, have essentially never been applied?

These "strong gestures by a weak man" will not help Russia enhance its international position; they will exacerbate its isolation on all fronts—in Western Europe, among former socialist camp partners, in Ukraine and the Baltics. They will become an instrument for exerting pressure and imposing even more unequal relationships.

As the socioeconomic situation in the country worsens, the growth of social protests, national and state consciousness, and political activity by the opposition in society are being transformed by a defective leadership—with the West playing a well-calculated game—into a factor in the further weakening of the country. A new series of concessions, this time forced on us, is becoming inevitable.

Doesn't the power-bound opposition, whose declarations and parliamentary initiatives are being closely monitored, face the threat of being dragged into this narrowing vortex? Phrasing is becoming increasingly harsh (which means the tightening of isolation), whereas a split among elites has not been overcome, the consequences of reform (including foreign debt) will be felt to an even greater extent, and the publicly recognized image of the future is still cloudy. Hence, the possibilities for strong, accurate foreign policy actions are further curtailed.

The opposition hopes for real success in the elections. But the actual importance of this victory (which, as a matter of fact, is problematic) for the future of the country will be determined by its ability to launch quiet, imperceptible work to reveal and consolidate a solid national core in the politics and economy of a country ruthlessly torn apart by sectoral, regional, clan, and corporate interests. This promises the sole chance to mold a really independent and forward-looking state line on a solid basis. The "unification of Rus" proceeded precisely as the unification of economic elites concurrent with a process of spiritual self- awareness and self-absorption—while, as a matter of fact, inevitably complying with or at least taking into account the rules of the game as imposed by the enemy.

Ministry Welcomes U.S.-Cuban Migration Agreement

LD0505184895 Moscow ITAR-TASS in English 1707 GMT 5 May 95

[By Yuriy Kozlov]

[FBIS Transcribed Text] MOSCOW, May 5 (Itar-Tass)—Russia is satisfied with a new migration agreement reached by the United States and Cuba, says a statement of the Russian Foreign Ministry received by Itar-Tass today. The recently signed bilateral agreement will "enable a large step forward in settlement of acute differences that have long caused outbursts of tension in bilateral relations."

In the opinion of the foreign ministry, the new agreement "clears the way towards a non-ideologized stand on migration and creates additional possibilities for legal migration."

The Russian side stands for a large-scale constructive dialogue of Washington and Havana and hopes that the agreement will "help create a favorable climate for further improvement of Cuban-American relations."

Ministry Views Croats' Blockade of Russian Troops

LD0605095695 Moscow ITAR-TASS in English 0933 GMT 6 May 95

[By Valery Sevryukov]

[FBIS Transcribed Text] MOSCOW May 6 (Itar-Tass)—The Russian Foreign Ministry has not received full information yet, but is attentively following the development of the situation with a stronghold of the Russian peace-keeping battalion in the Eastern sector of Krajina Serb, an official of the Foreign ministry told Tass Saturday.

The stronghold was surrounded by Croatian soldiers who ordered the Russian peace-keepers to abandon it. The Russians refused to obey.

"In any case our position regarding the incident will correspond to the earlier advanced UN Security Council demands to Croatia. They envisage an immediate and complete fulfilment of the Security Council decision on ceasing the offensive in Western Slavonia and other sectors protected by the UN forces, the withdrawal of troops from there and the ensuring of an unimpeded fulfilment of the UN mandate on the whole territory of Croatia, the respect of the rights of the Serb population of the republic", the official said.

He added that since May 1 the UN Security Council has twice been convened upon a Russian initiative to consider the situation in Krajina Serb and advance its demands to the Croatian side. "In case Croatia, which is a UN member, continues to violate its resolutions, this will allow the world community to use other measures of infuence on the republic", the official said.

'Anxiety' Over Israel's East Jerusalem Move

LD0605083795 Moscow ITAR-TASS in English 0818 GMT 6 May 95

[By ITAR-TASS correspondent Yuriy Kozlov]

[FBIS Transcribed Text] Moscow, May 6 (ITAR-TASS)—Russia received with anxiety reports about Israel's decision to confiscate about 50 hectares of land in East Jerusalem for municipal construction projects, the Russian Ministry of Foreign Affairs said in a statement delivered to ITAR-TASS today.

"Russia as co-sponsor of the Middle East peace process and a state who signed as a witness the Palestine-Israeli Declaration of principles in 1993 has invariably done everything in its power to facilitate in practical terms the realisation of its provisions, as well as the progress in Palestine-Israel talks concerning Palestinian self-rule in the Gaza strip and on the West bank of the river Jordan," the statement said.

As is known, the Declaration stipulates that the fate of Jerusalem should become the subject of future talks on the final status of the Palestinian territories. Until then, any action aimed at changing the status quo in Jerusalem cannot be regarded as anything else but as contradicting the spirit of the Palestine-Israeli accords and the entire peace process as a whole, the statement said.

The Ministry of Foreign Affairs of the Russian Federation expresses the hope that Israeli authorities will find it possible and appropriate at the present highly sensitive and responsible stage of the Middle East negotiating process to review their attitude to the question of confiscating Palestinian land in Jerusalem, particularly since there exist required legal mechanisms for this.

The Ministry's statement stresses that a step of this kind would be in line with the task of establishing genuine peace and goodneighbourly relations between the Arabs and the Israelis in compliance with the decisions of the Madrid peace conference and subsequent Arab-Israeli accords.

Reports on Rybkin's Visit to U.S. Denied

LD0505152895 Moscow INTERFAX in English 1338 GMT 5 May 95

[FBIS Transcribed Text] MOSCOW, May 5 (Interfax)—The Russian Duma speaker's press secretary, Dmitriy Biryukov, has denied reports run in some Russian news media, including in May-5 IZVESTIYA, concerning certain details of Ivan Rybkin's and other Russian parliament deputies' stay in the United States.

In an official statement released Friday, Biryukov said that the Duma speaker had stayed in the United States for one-and-a-half days at the invitation of Vice President Gore. "The stay in the United States of five chairmen of parliamentary committees was not paid by taxpayers, as IZVESTIYA claims, but by the U.S.-Russian Business Council," said the press secretary.

He said that "contrary to allegations of IZVESTIYA correspondent Vladimir Nadein, Ivan Rybkin held all the meetings in the United States that he had planned": he met with Vice President Albert Gore, State Secretary Warren Christopher, his first deputy Talbott, Defense Minister Perry and others.

Biryukov described as "lacking tact" Nadein's allegations that Ivan Rybkin had given awards meant for other persons to American navy veterans, who took part in the allied sea convoys to Murmansk. The press secretary's statement says that "all awards have names inscribed on them and were prepared beforehand in accordance with the documents presented by the Russian Embassy in Washington".

The press secretary said that IZVESTIYA's allegations on Rybkin's refusal to accept relief aid for Russia are also incorrect in as Duma representatives had ordered no relief aid. Biryukov said that boxes with aid "had indeed been delivered to the plane, but after examination, it was learned that apart from other things, the boxes contained U.S. military uniforms, which were meant for students in the upper grades of high-school in the Moscow Region." Biryukov claims that one of the reasons the extra load was rejected was the "search made previously by the U.S. services in the Russian foreign minister's plane."

The press secretary said that IZVESTIYA's allegations about a furniture set for Ivan Rybkin being loaded on the plane is "the fruit of the journalist's excess imagination." The statement says that "the plane was loaded with equipment from one of the sections of the Russian Embassy and cargoes to equip Duma offices."

Germany Reportedly Identifies 165 Russian Agents

MM0505154595 Moscow IZVESTIYA in Russian 4 May 95 p 3

[Report by Yevgeniy Bovkun: "Germans Plagued by Russian Spies"]

[FBIS Translated Text] Bonn—The German Department for the Protection of the Constitution has prepared a list of 165 identified Russian intelligence agents (see IZVESTIYA No. 80). Normally either such people are tolerated, the principle being that "once exposed they are not dangerous," or they have to leave because they are being openly observed. In extreme cases representations are made to the embassy.

But Eckhardt Wertebach, head of German counterintelligence, takes a tough line. He was cold toward his partner, Sergey Stepashin, when he visited Bonn, expressing open displeasure at Russia's heightened espionage activity. It was after this that his aides drew up the register.

It has not yet been published, but, according to people in the know, it includes not only diplomats, but also Russian Federation citizens using different "covers": Employees of mixed enterprises and also of German firms engaged in marketing, consulting, and trade, that is, specialists in the economic sphere, including former journalists. They are followed by "doctors and masters" working in libraries, archives, foundations, research institutes, and universities. The next category is people in the cultural sphere, the sphere of the arts and the media; that is, "writers, artists, and journalists."

There is a specific reason for this sequence. From the testimony of former GDR State Security Ministry personnel and Soviet KGB officers who fled to the West (and there have been plenty of them in recent years) and also on the basis of their own observations, the German special services concluded that the priorities governing Russian intelligence activities in Germany had shifted. Whereas formerly the main areas of activity were political and military matters, industry and science now dominate. A report by the Department for the Protection of the Constitution clearly states: "The Russian Foreign Intelligence Service has a special department that gathers information on economic development in the leading industrial countries, and it uses a network of commercial companies set up by KGB agents in Germany back in the summer of 1990" amid the "euphoria of German unification."

B. Schmidbauer, government coordinator for the special services, believes that many agents of the GDR State Security Ministry and the KGB in the FRG who remain from the old days have partially switched to organized crime, including the drugs trade and the underground trade in arms and nuclear materials. Be that as it may, in 1992 11,500 "Russians" (they may also have been citizens of other CIS countries) suspected of links with criminal organizations were registered in Germany.

Some suggest that the identified Russian agents be treated with tolerance, in order not to upset Russia. Others object to this. An identified agent who remains under observation begins to feel as free as a bird, begins to feel he can act with impunity. Moreover, neither after the expulsion of 31 Soviet agents from Britain in 1985 nor after 55 of their colleagues returned home from the United States in 1988 did relations between the USSR and these countries significantly deteriorate: Thatcher and the Americans continued to like Gorbachev. The expulsion of 165 Russians from Germany would obviously not diminish Kohl's liking for Yeltsin either. It would result, as always, in a retaliatory measure by the Russian special services.

But isn't the figure of 165 identified agents too high?

At a recent international congress in Aschaffenburg attended by such well known professionals as former KGB General Kondrashov, former Soviet intelligence chief Shebarshin, and former Soviet agent in Britain Gordiyevskiy, it was suggested that until the end of 1993 the KGB and the CIA had, respectively, 700 and 500 personnel on German territory. Leonid Shebarshin amended this: The KGB had only 400 officers there.

But the German special services are including agents of the GDR State Security Ministry, who became "masterless men" after the unification of Germany and, according to the FRG special services, in some cases are "on Moscow's books." According to Department for the Protection of the Constitution data, around 300 important posts in politics and economics in the FRG are still occupied by unidentified Eastern agents.

How active an agent is has always determined how dangerous he is. But he can be active in a variety of ways. Some prefer quantity to quality. Former KGB officer Yuriy Shvets, who worked as a TASS correspondent in Washington in 1985, admitted in an interview that he had worked as follows: Late at night he would buy the next day's issue of THE WASHINGTON POST and immediately transmit the most important news to the center as if it were his own observations. Others keep an eye mainly on their own people. Another lot risk their own skin and their covers attempting to obtain secret information or recruit new agents from among the local public, for example, like those who tried to persuade prominent Social Democrat Egon Bahr (after he had quit active politics) to resume "confidential contacts" with Moscow. According to him, he "showed them the door."

Eastern intelligence agents are particularly interested in such technologically developed Laender as Bavaria and Baden-Wuerttemberg. Personnel of the Stuttgart Department for the Protection of the Constitution, who have noticed increased activity of late in Baden-Wuerttemberg by agents of the KGB and other special services of Eastern Europe and of the Near and Middle East, firmly believe that the days of espionage did not end when the Cold War ended.

Not even cooperation will relieve the tension. Despite the memorandum signed in Moscow in August 1994 by Sergey Stepashin and Schmidbauer on joint efforts in the fight against organized crime, there have been no significant successes in exposing the underground trade in plutonium.

It is hard to say how much time the exposed agents have to make ready. The Bonn Foreign Ministry has not yet accepted the list of 165 people as a document to act upon. It is expected that Helmut Kohl will reach agreement on any decisions with Boris Yeltsin when he visits his dacha in Zavidovo after 9 May—in a relaxed atmosphere.

West's Increased Spy Targeting of S&T Noted

LD0605162595 Moscow INTERFAX in English 0936 GMT 6 May 95

[FBIS Transcribed Text] MOSCOW, May 6 (Interfax)—Foreign special services have significantly stepped up their activity in Russia in recent times, a senior Federal Security Service officer declared to Interfax Saturday. He focussed on "the western states' desire to put under their control and adversely affect the pace and trend of major federal programs in Russia in the field of defense, science and technology and force Russian production out of the international market of arms and military technology."

The source said that the enterprises of Russia's nuclear and military-industrial complexes "remain the objects of special attention for foreign intelligence organs." "Their sphere of interests includes submarine and surface ship building, aero-space and aviation technology, the prospective types of mass destruction weapons and advanced conventional arms, above all armor and its active protection facilities, weapons, based on new physical principles," the officer said.

"There has been a significant step-up in the activity of foreign intelligence services from legal positions in recent times. On the pretext of studying opportunities for investment and for aid in environmental protection and within the framework of military and technical cooperation, representatives of various foreign companies, foundations, and ecological organizations have been legally obtaining data on enterprises of the military-industrial complex, on leading specialists and scientists, and other information," the source noted.

The Russian Security Service officer pointed out that "there is evidence of attempts by foreign "partners" to use conversion programs for political goals: to affect the setting of Russia's economic priorities and to stimulate a "brain drain" by arranging long-term trips abroad or permanent employment there for leading Russian scientists and specialists."

Foreign Intelligence Services Step Up Work

LD0505121495 Moscow ITAR-TASS in English 1116 GMT 5 May 95

[By Oleg Artyushin]

[FBIS Transcribed Text] BRYANSK, May 5 (Itar-Tass)—"The territory of Russia has become a target of the expanding activities of foreign intelligence services," Colonel Sergey Vasilyev, head of a department at the Public relations centre of the Federal security service, told Itar-Tass.

In his opinion, aside from the traditional opponents of Russia—the secret services of the United States, Germany and some other Western countries—Russia is now facing secret services of the Baltic states and East European countries, which are following the instructions of their Western partners.

Fixed-post spy networks of the American, German and other intelligence services in Russia were strengthened.

According to Colonel Vasilyev, foreign secret services on the Russian territory "expanded the scope and spheres of their work." He said that about a dozen foreign spies had been detected in 1994 in the economic institutions of Russia among foreign specialists working there. The fact that another 90 foreigners are working for this or that secret service is beyond doubt.

Foreign intelligence services continue to show interest in the strategic plans of the Russian leadership in the sphere of foreign policy, the development of the economic and military reforms, the situation in the zone of inter-ethnic conflicts and new finds and technologies in the nuclear sphere. According to Vasilyev, the Federal security service has come to an alarming conclusion that the foreign intelligence services "have succeeded, to some extent, in stealing the most up-to-date technologies from Russia."

Foreign Intelligence Said Aiding 'Brain Drain'

MK0705101195 Moscow KOMMERSANT-DAILY in Russian 7 May 95 p 3

[Unattributed report: "The 'Brain Drain' Continues To Be Stimulated"]

[FBIS Translated Text] Foreign special services recently intensified their activity in Russia, said a highly placed representative of the Federal Security Service [FSB] on Saturday. According to him, enterprises in Russia's nuclear and military industrial complex "remain an object of special attention by foreign intelligence bodies." According to the FSB official, "there are reports of attempts by foreign 'partners' to use conversion programs for political purposes: to influence the definition of Russia's economic priorities and to stimulate the 'brain drain' by arranging for leading Russian scientists and specialists to go to work abroad for long periods or on a permanent basis."

Political Issues

Chernomyrdin Denies Plans To Run for President

LD0705232295 Moscow ITAR-TASS World Service in Russian 2220 GMT 7 May 95

[By ITAR-TASS correspondent Vladimir Voronkov]

[FBIS Translated Text] London, 8 May—Parliamentary and presidential elections in Russia will take place in the times set by the Constitution and neither I nor President Yeltsin have ever considered postponing them, Russian Federation Prime Minister Viktor Chernomyrdin said in an exclusive interview to ITAR-TASS and the IZVESTIYA newspaper while in England for the 50th anniversary of victory. He also categorically rejected any possibility that he would run for president. He said he was not aiming to become a deputy either, but that he was planning to set up a political movement capable of effective work in the State Duma in favor of reform over four years. "I cannot be accused of trying to grasp power, since I have it anyway," V. Chernomyrdin said.

The prime minister said that the new movement he heads is now involved in preparatory work, that over 75 local branches have been formed, and that a founding congress will be held on 12 May. The Russian prime minister said that both his and State Duma Speaker Ivan Rybkin's movement would operate in parallel and offer to parliament people who could be called realists.

Viktor Chernomyrdin said that the meeting in Moscow on 10 May between Boris Yeltsin and U.S. President Bill Clinton will dot all the "i's" regarding supplies of nuclear reactors to Iran. We will fulfill our contracts but new ones are not being concluded, he stressed.

In the prime minister's opinion, problems in this area are being artificially created. As he put it, he stated this to be the Russian position at his Sunday meeting in London with U.S. Vice President Albert Gore and, judging by all accounts, the two presidents will also have the same conversation on the subject.

Viktor Chernomyrdin did not conceal the fact that, against the backdrop of celebrations for the 50th anniversary of victory over Hitler's Germany, Russia will feel uncomfortable about combat actions in Chechnya in the presence of leaders from other countries who are attending the ceremonies. However, this is Russia's internal problem and Russia is not going to make little of it or try to diminish it, he stressed. We will solve this problem no matter how hard it is, stated the head of the Russian Federation government.

Sharing his impressions of the festivities in Great Britain, Viktor Chernomyrdin noted how well organized they were. We felt the consequences of the war and today's festival "brought tears to our eyes", he said. So, it does not suit us at all when certain figures in the West suddenly "leave out" Russia when talking about the war or only mention it in passing, stressed the head of the Russian government. For Russia and for all the republics of the former Soviet Union, this is a festival of remembrance and sadness. The celebrations in London referred repeatedly to the fact that there would have been no victory without the Soviet front. And that must not be forgotten, in Viktor Chernomyrdin's opinion.

Rybkin Creating Electoral Bloc Seen as Ill-Advised

MK0605080995 Moscow KOMMERSANT-DAILY in Russian 5 May 95 p 3

[Report by Yevgeniy Yuryev under the "Russian Party Life" rubric: "Ivan Rybkin in Search of Allies"]

[FBIS Translated Text] The cautious and prudent Ivan Rybkin has clearly made an ill-advised move by agreeing to take part alongside Viktor Chernomyrdin in implanting a semblance of a two-party system in Russia. The enticing role of a founder of a new political model appears to have considerably nonplused the slyishly simplistic Duma speaker. Without bothering to ask the "influential left-of-center forces" promised to him as allies whether they are really so eager to flock together under his fledgling wing, Ivan Rybkin left for a fascinating tour of Japan and the United States, where he continued talking about the "wide social-democratic strata" he is ready to head so as to secure a pro-government majority in parliament together with "genuine, not imaginary democrats."

Allies ascribed to him have scrambled in droves to desert Rybkin's ship, which has yet to put out into the stormy political seas. The first to voice indignation were the agrarians who begot Rybkin, on whose party ticket he entered the State Duma, and on whose support he appears to have pinned the greatest hopes when erecting his left-of-center bloc. Agrarian Party Chairman Mikhail Lapshin said at a meeting with party activists in Irkutsk that the Agrarian Party of Russia [APR], "being one of the largest and relatively well-structured parties, a dynamically developing all-Russia political organization, does not intend to join any blocs." Lapshin said that, as they did in 1993, the agrarians would contest the next elections as a single association named the Agrarian Party of Russia. This decision, in his words, was approved by the All-Russia Farmers Meeting, the Agrarian Union's Central Council, the Agro-Industrial Sector Workers Union's Central Committee, and the APR Board. Indeed, the agrarians are strong enough not only to be one of the future parliament's largest factions, but also to help their leader be elected president. Given that, a dubious counterweight in the shape of the reflexive Rybkin would be a liability for them.

Possibly, Rybkin might venture to cause a split among the agrarians, but this is far from a simple thing to do; moreover, it may prove to be risky for the speaker, who has already lost authority and influence in his native party. Lapshin, unlike Rybkin, has not distanced himself from his party roots, as he is constantly making the rounds of the country to win the support of the local nomenklatura. Counting on the communists who used to be close to them would be even more hopeless. Who remains on the list of allies promised Rybkin? "Women of Russia?" But Soviet women would not be easily lead down the garden path. They are in no hurry to join Rybkin's ephemeral bloc, being aware of the fact that involvement in political games can backfire and that it is much safer to bet on their own formidable forces and hope for women's solidarity.

Therefore, for the time being the Rybkin bloc's potential core is trade unions that have no particular influence and little-known dwarfish parties hewing to socialist and social-democratic lines. For them, this bloc is heaven-sent: If it hadn't been for this occasion they wouldn't entertain any hope of overcoming the 5-percent hurdle, but in this case some may well slip through to keep Rybkin company. But what can Rybkin hope for in such company? That Shmakov's trade unions and Lipitskiy's "realists" will catapult him into the presidency? In this game the speaker appears to have been assigned the part of an extra—a part that will be written by others.

Communists Rule Out Alliance With Zhirinovskiy

LD0605171695 Moscow INTERFAX in English 1257 GMT 6 May 95

[FBIS Transcribed Text] MURMANSK, May 6 (Interfax)—The Russian Communist Party is not going to conclude an alliance with Vladimir Zhirinovskiy's Liberal Democrats, Communist Party Gennadiy Zyuganov has said. Interviewed in Murmansk he said that Zhirinovskiy's adventurous policies had no credibility.

He believes that Zhirinovskiy openly plays into the hands of President Yeltsin and reduces all legislative efforts by the State Duma (lower house of Russian parliament) to a farce.

At the same time Zyuganov believes that the outcome of parliamentary elections will depend on the efficient cooperation of opposition alliances.

About the Crimean issue, Zyuganov said that in the near future the leadership of his party was going to begin a negotiating process with Moscow, Kiev and Simferopol to promote closer relations between them.

"The Crimean card must not be played as recklessly as the Chechen one. One should not forget that Russia and Ukraine have common political and economic interests," he said.

Top 10 Most Influential Politicians Listed

LD0705193895

[FBIS Editorial Report] Moscow NTV in Russian at 1700 GMT carries in its "Itogi" program a 2.5-minute report by anchorman Yevgeniy Kiselev on the Mneniye organization's monthly poll among political commentators to find the top 10 most influential politicians in Russia after President Yeltsin. The results follow in ascending order:

10. Gennadiy Zyuganov, leader of the Communist Party of Russia; the second month in a row he has been in this position, according to Kiselev;

9. Sergey Filatov, head of the administration of the president of the Russian Federation;

8. Vladimir Shumeyko, chairman of the Federation Council;

7. Oleg Soskovets, first deputy premier; last month he occupied sixth place, Kiselev notes;

6. Yuriy Luzhkov, Moscow mayor;

5. Viktor Ilyushin, first assistant to the Russian president; for the last few months he has occupied one of the top three spots, Kislev says;

4. Ivan Rybkin, chairman of the State Duma;

3. Anatoliy Chubays, first deputy premier; Chubays's rating has been going up for the past three months, according to Kiselev;

2. Aleksandr Korzhakov, head of the Security Service of the Russian president;

1. Viktor Chernomyrdin, premier; he is maintaining his position at the top of the ratings, Kiselev says.

Democrats Seen as Active, Poised To 'Leap Forward'

MK0705111495 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 6 May 95 p 1

[Report by Ivan Maksimov: "Communists Forge Ahead. Research into Activism of Democrats and Communo-Patriots"]

[FBIS Translated Text] It has become fashionable of late to claim that the democrats are suffering a decline as a result of which they "stand no chance" in the upcoming parliamentary elections. The shrinkage of the Duma's "Russia's Choice" faction by a quarter is cited as proof of this.

This did happen, of course. However, there was an even greater decline in membership among the groupings of centrist deputies: Shakhray's "Party of Russian Unity and Accord" (by a third) and the "New Regional Policy" (by as much as 40 percent), as well as Glazyev's expressly anti-reformist, so-called "Democratic Party of Russia" (by nearly half). Meanwhile, Yavlinskiy's radical- democratic "Yabloko" and Zyuganov's Communists, together with the Agrarians, have been standing "like a rock" during the recent six months.

Hence, the very fact of the declining membership of "Russia's Choice" is not necessarily connected with a degradation of the democrats, per se, and it might have other reasons. In order to determine which of the deputies associations are on the way up and which are on the way down, it would be good to look at what their activism has been over a sufficiently long period.

Counting the number of addresses by members of the different factions in the fall (1994) session of the State Duma shows that ranking first among them was "Russia's Choice" (488 addresses). This is natural because it is Gaydar supporters who were the biggest deputy association in the Russian parliament. Coming in second was the Communist Party of the Russian Federation [CPRF] (393), with the LDPR [Liberal Democratic Party of Russia] coming in third (335). The situation is already somewhat different during the present spring session. Coming first are the Communists (with 380 addresses as of 5 April). Coming next are "Russia's Choice" members (357). Zhirinovskiyites keep third position (295). Does this mean the democrats are giving up?

It is being assumed that the reversed positions of the CPRF and "Choice" resulted from a number of deputies leaving Gaydar recently. This assumption has no basis in fact, because the total of addresses of "Russia's Choice" people at the fall session does not include addresses by deputies who quit later. Incidentally, most of them had never been known as activists, and "Choice" mainly got rid of the "ballast" who played no appreciable role in the faction's activities. The numerical strength (54 deputies) of "Choice" remains significantly greater than that of the CPRF (45), which underlines the Communists' success. [sentence as published]

The reasons for change in the factions' comparative rating of activity will become clearer if one compares the average number of addresses by members of the various factions in both sessions in the course of one sitting. During the fall session deputies of "Choice" spoke in one sitting 20.3 times on average, CPRF deputies spoke 16.4 times, and LDPR deputies spoke 14 times. In the present session, deputies of "Choice" have spoken in the course of one sitting on 21 occasions, Communists on 22.4 occasions, and Zhirinovskiyites on 17 occasions. (As for "Yabloko" deputies, their activism is up from seven to nine addresses).

It is at this point that the question raised gets a valid answer. Comparing these figures indicates that the Democrats' activism is not waning at all; they are keeping it roughly at the level of six months ago. (Yavlinskiy's supporters have become even more active). "Russia's Choice" has ended up in second position because the Zyuganovites have of late really "stepped it up."

The general conclusion of the study is as follows: The Communists are now really on the offensive. They are going through an emotional uplift, as they see the temporary, unavoidable difficulties the country is going through as an affirmation of their anti-reformist views. But as regards the democrats, their previous retreat has come to an end. The economic situation in the country is starting to stabilize; that is to say, time tends to be on the side of the democrats. Therefore, it would not perhaps be overly optimistic to claim that their present state is similar to the "posture one takes before a leap forward."

'Russia's Patriotic Front' Electoral Bloc Formed

LD0605163395 Moscow INTERFAX in English 0936 GMT 6 May 95

[FBIS Transcribed Text] MOSCOW, May 6 (Interfax)—At their joint congress held Saturday the National Salvation Front (NSF) and the national union of the Tibet concern's investors announced the creation of a new electoral bloc entitled Russia's Patriotic Front.

Delegates to the congress, who represented about 50 areas of the Russian Federation, issued an appeal to the people of Russia and to the leaders of the country's patriotic forces, urging them to unite.

The leaders of the new electoral bloc—NSF chairman Ilya Konstantinov and head of the Tibet investors union Vladimir Voronin—told the congress that they expect to net success at the upcoming parliamentary and presidential elections, since, in their view, most of the cheated investors in Russia will vote for them.

As the leaders of the new bloc said, under the present government the cheated investors have no chance of regaining their money. According to their estimates, today there are about 80 million people in Russia who have been duped by commercial companies and structures.

The NSF was formed in summer 1992. According to its leaders, it belongs to the hardline opposition.

Yeltsin Approves Energy Policy Orientations

LD0805091995 Moscow ITAR-TASS in English 0907 GMT 8 May 95

[FBIS Transcribed Text] MOSCOW May 8 (Itar-Tass)—President Boris Yeltsin on Sunday approved [the program] "Basic Orientations for Russia's Energy Policy for the Period Ending in the Year 2010".

This document, unlike Soviet-style Five-Year and Long-Term plans, does not contain specific assignments expressed in figures. It determines priorities and basic tasks of the energy policy, such as to increase the share of natural gas in the aggregate production of power resources, to give greater scope to the use of gas in the ecologically unfavourable areas of the country, to stabilise oil production, and outlines other measures.

Military, Nuclear & Space Issues

Defense Minister Grachev Holds Press Conference

Details Chechnya Casualties

LD0605122395 Moscow ITAR-TASS in English 1044 GMT 6 May 95

[By Anatoliy Yurkin]

[FBIS Transcribed Text] Moscow May 6 (ITAR-TASS)—Russian forces lost 1,375 men killed and 3,872 wounded in nearly five months of fighting in Chechnya, according to Defence Minister Pavel Grachev.

He told a press conference Saturday that as for today the toll included 236 officers, 26 non-commissioned officers, 1,113 privates and sergeants.

The wounded comprised 626 officers, 106 non-commissioned officers, 3,140 privates and sergeants. 245 servicemen are reported missing, according to Grachev.

Eight Russian servicemen were killed and 25 wounded during eight days of the moratorium on fighting in Chechnya introduced by President Boris Yeltsin from April 28 and ignored by Chechen militants.

Russia sent troops to quell the Chechen separatist bid on December 11, 1994.

Comments on NATO Expansion

LD0605130395 Moscow ITAR-TASS World Service in Russian 1235 GMT 6 May 95

[By ITAR-TASS correspondent Anatoliy Yurkin]

[FBIS Translated Text] Moscow, 6 May—Russian Defense Minister Pavel Grachev said today that although Russia cannot stand in the way of NATO expansion, if it happens then it will take "political and other" measures.

Speaking at a news conference in the capital today, General Grachev said that Russia "cannot prevent Poland or other East European countries joining NATO, but it has the right to express its point of view regarding European security".

"Just three years ago we told the whole world that no one has to ask our permission for anything. Following the collapse of the Warsaw Treaty, we are no longer the Russia which held command in Eastern and Central Europe. Whether or not to enter NATO is the internal affair of each state, and Russia has no right to interfere", Pavel Grachev noted.

At the same time he stressed that "Russia would find it undesirable if NATO were to expand at the expense of the countries of Central and Eastern Europe. This alliance is a military-political one with all the consequences this entails. Russia will be compelled to react to the expansion of this bloc by political and other means".

"In coming out in favor of the renewal of the structure of European security, our country is not a supporter of NATO's forward lines advancing to Russia's borders", the defense minister stressed.

Remarks on 14th Army, Lebed

LD0605125495 Moscow ITAR-TASS in English 1216 GMT 6 May 95

[By Anatoly Yurkin]

[FBIS Transcribed Text] MOSCOW, May 6 (Itar-Tass)—General Aleksandr Lebed, the commander of the Russian 14th Army stationed in Moldova's Dniester region, "must make an honest choice between military service and political activities", Russian Defence Minister Pavel Grachev said.

Grachev told a news conference in Moscow today that the 14th Army "is being reformed not for a caprice of some official but only with consideration for the situation in which Russia now is".

In the new geopolitical conditions, there is neither reason nor economic possibility to "maintain the inflated staff" of the 14th Army, Grachev said. The staff is now having command of only 6,000 troops, with four men per one officer, the minister said.

Grachev dismissed as "unfounded" the statement by Lebed that he had not been offered a new post.

"General Lebed even refused to study in the Military Academy of the General Staff, saying the reason was his age," Grachev said.

According to Grachev, Lebed also rejected the position of combat training deputy commander of the Transbaykalian Military District, a post in the inspectoral apparatus and other positions offered by himself and by Vladimir Semenov, land troops commander.

Lebed's stance on the reform of the 14th Army and his statements have "a populist political character," Grachev said.

"With these circumstances in mind, the army commander ought to make his choice: to devote himself to military service or take off his uniform and embark on political activities of parties and movements, in which he has a part," Grachev said.

Meanwhile, General Lebed confirmed on Saturday his disagreement with the reform of the 14th army's command. Speaking to Itar-Tass correspondent Valeriy Demidetskiy, Lebed reiterated that Grachev's reform "will behead the command of troops stationed in the zone of the Dniester conflict".

The general noted that "Tiraspol's mafia groups are interested in seizure of property and weapons of the Russian army".

Lebed rejected a report released by the Moldovan official news agency that he had allegedly tendered his resignation.

The commander of the 14th army told Tass he would announce his decision at a news conference scheduled for May 12.

INTERFAX on Criticism of Lebed

LD0605153495 Moscow INTERFAX in English 1257 GMT 6 May 95

[FBIS Transcribed Text] MOSCOW, May 6 (Interfax)—The commander of Russia's 14th Army stationed in the

Transdniester Republic Lieutenant-General Aleksandr Lebed has been told to either carry out the orders of his superiors or leave the armed forces, Defense Minister Pavel Grachev told a news conference in Moscow Saturday.

According to Grachev, Lebed sometimes fails to carry out the orders of his superiors in time, or even ignores them occasionally.

In comments on public statements made by Lebed, Grachev described him as the army's "capricious child." According to him, the 14th Army commander makes his statements "under the influence of different political groupings which seek to come to power."

As Grachev said, the reorganization of the 14th Army was launched to bring it into line with the present military structures. According to him, among the Army's 6,000 servicemen about 1,500 are officers, "that is one officer for four privates."

Under the relevant directive issued by the Defense Ministry, the Army's staff will be reduced to 97 men and the Army turned into an operative department. Lebed was invited to take the post of chief of that department in the rank of Lieutenant-General, but he strongly objected to such plans.

A number of other posts in Russia's armed forces were offered to Lebed, but, Grachev said, he doubts that Lebed will accept any of them. "It's easier to be a populist than to be in command of troops," the defense minister said.

Denies Proposal To Contol Arms Trade

LD0605162495 Moscow ITAR-TASS World Service in Russian 1524 GMT 6 May 95

[By ITAR-TASS correspondent Anatoliy Yurkin]

[FBIS Translated Text] Moscow, 6 May—Russian Defense Minister Pavel Grachev today denied reports claiming he had proposed that arms trade should be handed over to his ministry.

He told a news conference in Moscow that "addressing a government meeting this week" he had "only advocated the idea of streamlining trade in weapons and military hardware." He said he had made these comments because of problems with funding the Russian Federation Armed Forces. He believes that allocations could be stable if more effort is made to open up the world armament market and if clear-cut civilized schemes are used in selling Russian arms to foreign countries.

What he said at the Russian Federation Government meeting was wrongly interpreted and taken up by the mass media, making many respected people believe that "Grachev is proposing to instruct the Defense Ministry to sell arms," he noted.

"The Defense Ministry is not laying claims to any commanding heights in the arms business, but like other Russian departments it is interested in receiving nice profits from the world armament market and in maintaining the country's industry at a high level of technological development," Grachev explained.

Electioneering in Army 'Banned'

MK0705090495 Moscow SEGODNYA in Russian 7 May 95 p 1

[Unattributed report: "The Russian Army Is Supported by the Agrarians, the LDPR, and the Communists"]

[FBIS Translated Text] Speaking yesterday, Russian Federation Defense Minister Pavel Grachev said that three parties have shown special activity recently in building contacts with the military department: the Agrarians, the Liberal Democrats, and the Communists. Furthermore, the Defense Ministry "feels serious support" from the Stability deputies group. True, the minister said, "we speak with everybody, but we are giving no preference to any party or movement." "Election campaigning in the army will still be strictly banned," Grachev stated.

Article Views Grachev's Remarks

MK0705094895 Moscow KOMMERSANT-DAILY in Russian 6 May 95 p 3

[Report by Ilya Bulavinov: "Pavel Grachev's Press Conference. Grachev Backs Chernomyrdin Personally, Not as Minister"]

[FBIS Translated Text] For more than six months, Pavel Grachev was reluctant to hold large press conferences. The doors to the Defense Ministry burst open yesterday to mark the third anniversary of the creation of the Russian Army. The military's calculations are plain: The passions surrounding the reassignment and firing of Grachev's deputies have subsided; there is moratorium in Chechnya; and as regards the intrigue involving General Lebed, Moscow generals still hold the strategic initiative.

"A capricious child may appear in any family," said Grachev about Lebed. In his words, Lebed had been offered several positions: those of inspector general in the Main Military Inspectorate, General Staff operational group chief in the Far East, and deputy commander of the Transbaykal District. He had previously refused to join the General Staff Academy. Grachev believes Lebed is going to decline these positions as well, because "populism is advantageous" for him now. To KOMMERSANT-DAILY's question about relations with political parties, Grachev replied that the more active ones in cooperating with the army are the Agrarians, the Communists, and the LDPR [Liberal Democratic Party of Russia]. He also noted a somewhat closer rapport with democratic parties (with the exception of "Russia's Choice"), stating that he is prepared to talk with everybody, but with no preferences, the more so because agitation in [military] units will be banned. The minister's attitude to the idea of two centrist blocs is positive. Grachev as a person ("not as minister") backs Chernomyrdin's block.

Grachev spoke at length about his department's tasks. He signed a directive on reforming the Airborne Troops which will, before 1 December, assume a "new appearance." What sort of appearance and when the entire armed forces are going to assume it will become clear soon. A conference on military reform is supposed to be held under the aegis of the president's staff and the government at the end of May. True, the Defense Ministry only knows (this was admitted to your KOMMERSANT-DAILY by a high-ranking ministry man) that there is "some sort of abracadabra" in Chernomyrdin's draft report. After the conference, Yeltsin will make a report, promised back in February, on reforming the army. He will evidently have to decide on some radical measures. Grachev's positions appear firm also within this context. One confirmation is the edict signed by Yeltsin on 5 May awarding the rank of colonel general to Valeriy Lapshov, an aide close to Grachev (although this position was filled by a lieutenant general even during the time of USSR), and to Dmitriy Kharchenko, chief of the international agreements directorate (now the main one). Granting the rank of general of the army (equal to Grachev's rank) to the head of the General Staff does not appear to be a counterbalance to this; Mikhail Kolesnikov is completely loyal to the minister.

Grachev Writes on Lessons of VE Day

MM0505145895 Moscow KRASNAYA ZVEZDA in Russian 4 May 95 pp 1, 2

[Article by Defense Minister Army General Pavel Grachev: "Victory—Our Common Destiny, Our Common Memory, Pride, and Glory"—first four paragraphs are introduction]

[FBIS Translated Text] When you have read the articles published on pages one, two, and three, esteemed readers, you will agree that they simply had to appear in KRASNAYA ZVEZDA on the eve of the great Victory jubilee. Because this Victory is common to all of us. It is our common achievement. Our common pride. Our common tearful joy. Our common memory....

Not everything is working out smoothly in our post-Soviet Commonwealth, it is true. That is evident from the great difficulty with which agreement is reached sometimes on seemingly simple and comprehensible questions. And also from how difficult it is to fine-tune the seemingly coordinated mechanism of collective security. This even happens at the level of agencies of the CIS countries' military departments, for example at sessions of the Defense Ministers Council.

Some of the CIS defense ministers are not represented on our pages today. The editorial office simply did not receive articles from them.

Well, that's life. But what matters is that no experiences have been forgotten, the memory of the Victory achieved 50 years ago lives on. That is the main thing. It links and unites people and inspires the hope that all difficulties will be overcome and that cooperation in all spheres will be strengthened.

Fifty years ago our people and their Armed Forces ended the Great Patriotic War victoriously. Nazi Germany capitulated under the onslaught of the Red Army and the armed forces of the other anti-Hitler coalition countries. An unparalleled victory, a great Victory, was won and was the culmination of colossal efforts by many freedom-loving peoples and states in the struggle against Hitlerite fascism. The decades which have passed make it possible now to understand more clearly the grandeur and eternal significance of this historic event.

In an incredibly difficult and bloody struggle which lasted 1,418 days and nights, the Soviet Union's Armed Forces defended their fatherland's freedom and national sovereignty and rid the East European peoples of Hitler's enslavement. In saving world civilization Soviet soldiers and officers accomplished a great feat in the name of mankind and the generations inhabiting the world today.

This was not just a military victory but also a tremendous political, economic, and moral victory over the most evil and dark forces of world reaction. Its outcome was a pitiless verdict on the misanthropic Nazi ideology which thwarted the attempt to forcibly impose a barbaric "new" order on the whole planet and proved that all aggression is futile and ultimately doomed.

The Great Patriotic War was the greatest armed clash in the history of mankind. At various times along the vast front stretching from the Barents Sea to the Black Sea the two sides employed 8-12 million fighting men, 5,000-20,000 tanks and self-propelled artillery pieces, 150,000-320,000 guns and mortars, and 7,000-19,000 aircraft. The history of warfare has never known combat operations on such a vast scale or a concentration of such vast quantities of military hardware. The whole country rose up to fight the enslavers. On the front and in the rear people of all nations and ethnic groups were united by a common aim—resistance and victory. The front and the rear became a single unit.

When contemplating aggression, Germany's fascist leadership counted on a rapid and comparatively easy victory in the war. Germany's politicians and strategists were hoping the Red Army would collapse before the gigantic war machine they had created, that the Soviet rear would rapidly disintegrate, and that the USSR would be isolated. But these hopes proved illusory and disastrous for the instigators of the war. From the first hours of the war the German troops encountered stubborn resistance from the Red Army. But despite the heroism and selflessness of Soviet soldiers and officers it was impossible to halt the enemy in the first few weeks of the war. Many mistakes made by the state and military leadership on the eve and at the start of the war took their toll: The extermination of the best military cadres in the years of the repressions, the flawed doctrine of victory with "little bloodshed," the oversimplified idea of the character of modern warfare, the erroneous assessment of the disposition of military-political forces, the belated decision on bringing the Armed Forces into a state of combat readiness, the incorrect evaluation of intelligence information, the mistaken assessment of the direction of the enemy's main thrust, and so forth. All these factors left the Red Army and the country in a difficult position. The war proved immeasurably more complex, difficult, and dangerous than had been imagined in the prewar years.

The victory was achieved at the price of enormous efforts and losses. The Red Army's irreparable losses in terms of men killed, those who died from their wounds, and those who died as prisoners of war numbered 8,688,400. Non-battle casualties amounted to over 18 million people. The war cost more than 27 million of our fellow countrymen's lives. Hundreds of cities and thousands of villages were destroyed and many thousands of enterprises, plants, and factories were left in ruins. A colossal quantity of assets was destroyed. Vast damage was inflicted on agriculture. It is impossible to quantify the full burden of human grief and suffering caused by the war.

Today certain political forces are trying to distort and belittle the Soviet Union's role in the rout of fascism. Attempts are being made to prove that the Soviet Union and Russia too bear an equal and even greater responsibility for unleashing the world war than fascist Germany and that it was only the non-aggression pact concluded between Germany and the USSR in 1939 that made Hitler's attack on Poland possible. The whole course of the war is often portrayed as a sequence of total mistakes and blunders. Our military strategy and tactics are portrayed as primitive. It is even claimed that strictly speaking our victory cannot even be considered a victory because it was achieved at the cost of enormous bloodshed. Such fabrications can only arouse deep indignation and anger. This is a direct outrage to the sacred memory of the millions of heroes who laid down their lives on the battlefield.

Particular efforts are being made to denigrate the role of the Soviet Union, Russia, and the other republics in achieving the common Victory. The historical truth is that the main role in the achievement of Victory belongs to our country and the Soviet Armed Forces. In almost four years of war they routed 607 fascist bloc divisions and inflicted on the enemy two-thirds of all his losses in personnel, weapons, and combat hardware. The German troops and their allies lost almost 7.5 million men on the Eastern Front. Tens of thousands of tanks and warplanes were destroyed. Thus fascism's military machine was smashed and the fascist Third Reich and Nazi Germany's state system collapsed along with it.

The Great Patriotic War was a severe test of all the tenets of the art of warfare devised in the prewar years. The strategy, operational expertise, and tactics of all branches of the Armed Forces and categories of troops received further development. In the struggle against a strong, perfidious, well trained, and technically well equipped enemy the Army and Navy proved their ability to resolve the most complex tasks of the art of warfare.

The war was a real school in which commanders, staffs, and troops improved their combat skill. During the war a glittering galaxy of army and navy leaders was raised in the Armed Forces and skillfully conducted large-scale operations. They include G.K. Zhukov, A.M. Vasilevskiy, A.I. Antonov, N.G. Kuznetsov, L.A. Govorov, I.S. Konev, R.Ya. Malinovskiy, K.A. Meretskov, K.K. Rokossovskiy, S.K. Timoshenko, F.I. Tolubkin, A.I. Yeremenko, I.D. Chernyakhovskiy, A.G. Golovko, I.S. Isakov, and many others.

Most of the Red Army's operations in the war years have gone down in the annals of world military art and were distinguished by resoluteness, a high level of vigor and maneuverability, originality of conception, and creative implementation. The Red Army and its soldiers successfully resolved the most complex problems of the organization of enforced and intentional defense, the restoration of a strategic front which had been destroyed, the penetration of heavily reinforced defense lines, development of success over a great depth, the encirclement, splitting, and destruction of large enemy groupings, forced crossings, the storming of cities, and operational and tactical sea and river assaults. At the same time the USSR Navy conducted combat operations during the war in support of the Red Army's maritime [primorskiy] groupings in offensive and defensive operations, the annihilation of the enemy, and the destruction of his communications. The art of organizing troop cooperation and command and the organization of all types of operational, tactical, and rear support operations were perfected. The experience gained by the Soviet Armed Forces in this respect was truly invaluable.

But of course during the war there were also quite a few unsuccessful and incomplete operations and, in a number of cases, simply ill-conceived ones. In some cases our troops suffered serious defeats and endured excessive losses even when they had overall superiority of forces. We have deleted from our military history the military catastrophes at Minsk, Kiev, Kharkov, and Lyuban. But in the course of the war the mistakes diminished. Experience was gained. Our military cadres came of age and mastered the art of defeating a powerful enemy with equal or even inferior forces. Ultimately military strategy and tactics proved superior and prevailed over the enemy's strategy and tactics.

The selfless struggle of all the peoples of Russia, Ukraine, Belarus, Moldova, and the Baltic behind enemy lines and the powerful partisan movement which seized all the occupied lands were of great significance in the achievement of Victory. More than 1 million partisans and over 250,000 members of the underground fought behind enemy lines. By their operations they actively helped the Red Army, caused chaos in the fascist troops' rear, and destroyed their communications. The land burned under the occupiers' feet. The legendary names of the illustrious partisan heroes such as S.A. Kovpak, K.S. Zaslonov, V.I. Kozlov, A.F. Fedorov, P.P. Vershigora, A.N. Saburov, M.F. Shmyrev, and many others cannot be forgotten.

The selfless labor of the peoples of Russia and all the other republics in support of the war were an especially important and decisive factor in the Victory. Our people's military and labor exploits are inseparable. We defeated a formidable enemy not only on the battlefield but also in the important battle for metal, coal, oil, and grain. A real miracle was achieved before the eyes of the whole world. Having lost a significant part of its economic potential and almost all the field army's weapons, the country managed not only to deploy the most mighty Armed Forces but also to equip them with a vast quantity of the most modern hardware of that time. During the war years the Soviet Union produced twice as much military hardware as Germany, which could count on the resources of its allies as well as of the 19 subjugated countries of Europe. During those years the Red Army received more than 100,000 tanks, 134,000 planes, and 825,000 guns and mortars. All this was made possible by the colossal program designed to place the national economy on a war footing and the successfully implemented mass evacuation of industry and manpower to the country's eastern regions, but mainly by the selfless labor of millions of men, women, and adolescents at plants and factories and in the fields and by the creative thinking of the engineers, technicians, designers, and scientists who forged the weapons of Victory.

Now, when marking the 50th anniversary of the Great Victory, we must draw not only the military lessons of the last war but the political, economic, social, and spiritual lessons of it, too. One of those lessons is that, just as there is no fatal inevitability of war so there is no complete guarantee of peace. Retrospective analysis shows that World War II and consequently the Great Patriotic War were not inevitable. The aggressor could have been halted. But unfortunately the peace-loving forces had neither the necessary will nor the necessary cohesion to place insuperable barriers in the way of the chariots of war. Some myopic Western politicians with their shortsighted policy of appeasement and their desire to channel aggression eastward created the conditions which turned fascist Germany's potential for launching war into a grim reality. The Soviet leadership and I.V. Stalin, in their turn, did not use all the potential and opportunities at their disposal then to organize a collective rebuff to the aggressor. Furthermore, by their prewar decisions they wittingly or unwittingly encouraged events to develop in a direction beneficial to the initiators of the war. Our prewar strategy lacked the necessary perspicacity, consistency, and flexibility.

The experience of the Great Patriotic War convincingly showed that the course and outcome of a war depend crucially on the right political decisions being made both on the eve of and during the war. Politicians' mistakes and errors are especially dangerous. Not simply because they are difficult to rectify but also because they inevitably entail gross strategic errors which lead to heavy losses. The mistakes made at the start of the last war were subsequently rectified. In present-day conditions it will be considerably harder if not impossible to rectify an initial mistake. So it is essential and exceptionally important to carry out the correct comprehensive assessment of the prevailing military-political situation, the disposition of military-political forces, and complex processes taking place in the world, first and foremost military and other threats.

The lesson of the war is that to successfully repel any aggression and reliably ensure the country's security it is necessary to have sufficiently powerful Armed Forces formed on the principle of defense sufficiency and constantly maintained in a state of high combat readiness. They must be capable of resolving a broad range of strategic tasks and successfully mastering the full range of forms and methods of conducting defensive, offensive, and counteroffensive operations in both large-scale and localized wars and military conflicts of varying intensity. This requires constant concern for their development, organization, and improvement, the timely modernization of their stock of equipment, the development of the infrastructure, the organization of the all-around operational and combat training of troops and naval forces, and the skillful organization of their control at all levels. Special attention should be paid to developing the art of warfare and military science, the creation of a sufficiently developed military- industrial base in the country, as well as the constant maintenance of the Armed Forces and the country's military economy in the necessary state of mobilization readiness.

The final lesson of the war is that it is necessary to develop political and military cooperation among states interested in preserving a stable atmosphere of peace and prosperity. In that regard the creation and existence of the anti-Hitler coalition—a historically unique military-political alliance of states and peoples who pooled their efforts in the struggle against the common foe to save civilization—is valuable and instructive today. Despite the contradictions that emerged during the war, the whole world saw the broad potential for all-around cooperation among states with different political systems. The experience of the anti-Hitler coalition teaches us that, where there is a will, it is possible to find effective ways to overcome disagreements and an alternative to dangerous confrontation even in our complex nuclear age.

The world is going through a very complex and contradictory period of development today. The disposition of military-political forces has changed radically. The Cold War is over. The former confrontation and rigid opposition of the "two world social systems" is a thing of the past now. At the present time there is no specific military threat capable of involving Russia in a global military confrontation.

But new contradictions have emerged in place of the old ones. The danger of war remains and has its roots and causes in a complex set of historical, territorial, socioeconomic, political, ideological, military, and other phenomena.

In this highly difficult situation the tasks of ensuring the country's defense and strengthening its security remain relevant and important.

During the establishment of the Russian Federation as a sovereign and democratic state new national interests are being formed in all spheres of social life, including the military sphere. New demands are also being made on defense.

The Armed Forces are the basis and nucleus of Russia's security. The foundations of Russia's military doctrine contain three important features which reflect the new approaches to its defense. They are, first, the fact that the Russian Federation does not regard any state as its enemy; second, Russia will not use military force against any state except for individual or collective self-defense; and third, nuclear weapons are now regarded solely as a means of deterring aggression and eliminating the danger of world war. To enable the Russian Federation's Armed Forces to be equal to their new tasks their structure and composition must be brought into line with both the potential and the existing threats and challenges to the security of Russia and our allies and our economic potential. Having made the Armed Forces more compact and multifunctional, reduced their numerical strength, and streamlined their structure, we are obliged to improve their level of preparation, mobility, and technical equipment and the social protection of servicemen. That is the task we were set by B.N. Yeltsin, president of the Russian Federation and supreme commander in chief of the Armed Forces, in his annual message to the Federal Assembly.

A whole set of large-scale measures in the organization and development of the Armed Forces aimed at their qualitative transformation and improvement have now been planned for that purpose and have begun to be implemented.

The creation of new groupings of troops (forces) on the Russian Federation's territory has begun, and we have begun to implement plans for the development and improvement of the military infrastructure.

The characteristics of the Russian Federation's geostrategic situation, the considerable length of its borders, and restrictions on the numerical strength of the Armed Forces have made it necessary to review the approaches to the creation of general-purpose troop groupings. Their reform is based on the principle of mobile defense, which presumes the existence of small but sufficiently powerful groupings of troops (forces) ready for operational use wherever a real threat to Russia's security may emerge. In 1994 we began the development of Mobile Forces within the Russian Federation's Armed Forces as a new interbranch operational-strategic formation.

The planned reduction of the numerical strength of personnel, armaments, and military hardware is being implemented. As of 1 January 1995 the numerical strength of the Armed Forces was 1,917,400 servicemen.

It is envisaged that the formation of the Russian Federation's Armed Forces will be largely completed by the end of 1995.

To this end it is planned:

—to continue the creation of groupings of troops (forces) and the military infrastructure on the Russian Federation's territory;

—to continue the move toward a mixed system of recruitment to the Armed Forces;

—and to continue the reduction of troops (forces).

After 1995 it is planned:

—to carry out the radical transformation of the structure of the Armed Forces, branches of the Armed Forces, and categories of troops (forces);

—and to largely complete the formation of groupings of troops (forces) and the military infrastructure on Russia's territory.

When the planned measures are implemented, Russia will have Armed Forces which are small in number but sufficient for the country's secure defense without posing a military threat to neighboring countries. This work demands great creative efforts from the whole country, first and foremost from our military cadres.

We look to the future with optimism. But we must not forget about the past. The further in time we move away from those triumphant, victorious days in May 1945, the more graphic and significant the eternal lessons of the last war become. Unity and accord are the sources of the prosperity of Russia and its people. And every Russian citizen must think about his debt to the motherland and show constant concern for the present and future of our people and their Armed Forces.

Yeltsin Edict Promotes Group of Senior Officers

LD0505234795 Moscow ITAR-TASS World Service in Russian 1520 GMT 5 May 95

[FBIS Translated Text] Moscow, 5 May—Russian President Boris Yeltsin signed an edict today promoting a group of senior officers. Mikhail Kolesnikov was made Army general, Vladimir Izmaylov, Leonid Kizim, Mikhail Klishin, Valeriy Lapshov, Igor Podgornyy, Anatoliy Tarasenko, and Dmitriy Kharchenko were made colonel general.

A large group of officers have been promoted to lieutenant general and major general.

According to another edict issued today, Sergey Shoygu, head of the Ministry for Emergency Situations, was made lieutenant general.

Yeltsin Congratulates Army on 3d Anniversary

LD0705194995 Moscow ITAR-TASS in English 1938 GMT 7 May 95

[FBIS Transcribed Text] MOSCOW, May 7 (Itar-Tass)—Russian President Boris Yeltsin congratulated the Russian Armed Forces on their third anniversary on Sunday [7 May].

"We are celebrating this date on the eve of the 50th anniversary of the Great Victory over fascism. Great courage and heroism, army comradeship and the highest fighting proficiency the Red Army soldiers and officers showed in defending their Motherland will always be an example for all Russian Armed Forces," the president said in his address released by the presidential press service on Sunday.

"Today, in difficult conditions, the Russian Armed Forces ensure effective security and firmly resist the threats to the peaceful development of our state. The Army and the Navy continue the glorious heroic traditions of all generations of the defenders of the Fatherland," the president said.

Following is the full text of the address:

"Dear friends!

"I cordially congratulate you on the 3rd anniversary of the establishment of the Armed Forces of the Russian Federation!

"We are celebrating this date on the eve of the 50th anniversary of the Great Victory over fascism. Great courage and heroism, army comradeship and the highest fighting proficiency the Red Army soldiers and officers showed in defending their Motherland will always be an example for all Russian Armed Forces.

"We will never forget the immortal feat performed by the soldiers and their commanders, those who fought in the underground resistance movement and on the home front, and all who made the Victory possible.

"Today, in difficult conditions, the Russian Armed Forces ensure effective security and firmly resist the threats to the peaceful development of our state. The Army and the Navy continue the glorious heroic traditions of all generations of the defenders of the Fatherland.

"I sincerely thank the soldiers, officers, veterans and civilian employees of the Army and the Navy for the infallible performance of their professional and patriotic duty. I wish you new successes in your service, health and prosperity!

[Signed] "B. Yeltsin
"May 7, 1995"

Yeltsin Signs Edict To Support WWII Veterans

LD0705135495 Moscow ITAR-TASS in English 1335 GMT 7 May 95

[FBIS Transcribed Text] MOSCOW, May 7 (Itar-Tass)—Russian President Boris Yeltsin signed a decree to provide better support for World War II veterans.

The decree "On Improvement of Pension Support for the Veterans of the Great Patriotic War and the Widows of the Servicemen Perished in the Great Patriotic War Who Receive Pension Under the RSFSR Law 'On State Pension in the RSFSR'," earlier approved by the State Duma, aims at providing better social welfare for the WWII veterans and the widows of the officers and soldiers killed during the war, the presidential press service said on Sunday.

Energy Crisis Halts Submarine Construction

LD0605211395 Moscow ITAR-TASS World Service in Russian 1226 GMT 6 May 95

[By ITAR-TASS correspondent Vladimir Anufriyev]

[FBIS Translated Text] Severodvinsk (Archangel Region), 6 May, (ITAR-TASS)— All enterprises in this town by the White Sea, including the wharves of the State Center for Atomic Submarine Construction, are today operating in emergency energy consumption mode. Production proper has been suspended and only vital supplies and technological safety of enterprises are being maintained. A considerable number of workers have been sent on enforced leave.

The town's two heat and power plants have no fuel left. Heating in the houses of Severodvinsk, a Polar town with a population of quarter of a million people, has been off since mid-April. The cause of the heavy energy crisis lies in nonpayments. The town's economy is based on defense orders, but the state has failed to pay for their fulfillment. Arrears amount to several hundred billion rubles. The government's assurances that the debt will be paid gradually are not being met.

Regional Affairs

Further Reportage on Situation in Chechnya

Russian Aircraft Shot Down

LD0505162095 Moscow ITAR-TASS World Service in Russian 1510 GMT 5 May 95

[By ITAR-TASS correspondent Sergey Ostanin]

[FBIS Translated Text] Groznyy, 5 May—Rebels shot down a plane of the united grouping of federal forces at about 1400 today south of the settlement of Serzhen-Yurt. The plane was engaged in air reconnaissance when it was shot down by an anti-aircraft gun. The fate of the pilot is unknown. Rescue work is under way, an ITAR-TASS correspondent has been told at the headquarters of the united grouping of troops of the Russian Defense Ministry in Chechnya.

Spokesman Confirms Aircraft Downed

LD0605120695 Moscow INTERFAX in English 0936 GMT 6 May 95

[FBIS Transcribed Text] Moscow, May 6 (INTERFAX)—A spokesman for Russia's Air Force in Mozdok confirmed Saturday that a Russian plane did actually fall in Chechnya on May 5.

He noted in an interview with Interfax that now "it is impossible to establish the objective cause of the loss of the plane and of its pilot's death, since for the time being it is impossible to guarantee the safety of the state commission which would investigate the causes of the occurrence."

Meanwhile, Dzhokhar Dudayev's spokesman Movladiy Udugov has told Interfax that Chechen armed groupings downed a Russian Su-25 fighter over the Benoi village Friday.

"The burned corpse of the Russian pilot was found near the wreckage of the plane," Udugov said.

He reported that the pilot had two documents with him. One document identified him as Vladimir Sarabayev, a Russian Air Force colonel, the other, carrying an identical photo, named him as Serik Zhezdibayev, a citizen of Kazakhstan.

In the meantime, as a senior Russian military has claimed, after the declaration of the truce, the federal aviation has refrained from "active combat actions against Dudayev's units. On the whole, planes have reconnoitered the terrain."

The source declared that if the cease-fire, enforced by a presidential decree to last until 12 May, was left unextended, the federal aircraft "will step up their actions to destroy the illegal armed units in Chechnya" upon the expiry date.

Dudayev Commanding Armed Formations

LD0505202095 Moscow INTERFAX in English 1757 GMT 5 May 95

[FBIS Transcribed Text] MOSCOW, May 5 (Interfax)—Dzhokhar Dudayev is now in Chechnya, on the territory controlled by Chechen armed forces, Dudayev's representative for the media Movladi Udugov told Interfax in an interview on the phone today.

He said Dudayev "fully controls the situation and commands the Chechen armed formations."

Udugov said Dudayev had never been hurt or wounded during military actions.

When asked about possible peace talks among representatives of federal troops and Chechen field commanders, Udugov said, "None of the field commanders will accept talks."

Udugov said talks could be held only on an official level between government delegations.

Stepashin on Search for U.S. Aid Worker

LD0605083495 Moscow ITAR-TASS in English 0820 GMT 6 May 95

[By Olga Semenova]

[FBIS Transcribed Text] MOSCOW May 6 (Itar-Tass)—The Russian Federal Security Service is taking every effort to find out whereabouts of the U.S. national, Soros Fund associate Fred Cuny and of a Russian female interpreter and two physicians who accompanied him in Chechnya, the service's director Sergey Stepashin told Itar-Tass.

Stepashin gave his comment on the media guesswork that Cuny is held hostage by Dudayev's rebels to be used later to pressure U.S. President Bill Clinton and Russian top leaders during their May meeting.

"Our unverified intelligence suggests that he is kept by Dudayev's fighters. But this is in fact an unproven intelligence," Stepashin said.

The security service director said Dudayev had lost control of Chechnya by now, and this added to difficulty of the search.

Stepashin on Cease-Fire Observance

LD0605132995 Moscow Radiostantsiya Ekho Moskvy in Russian 1200 GMT 6 May 95

[FBIS Translated Text] It is quite possible that in the near future Boris Yeltsin will issue a decree extending the moratorium on conducting combat operations in the Chechen Republic after the festivities. This was stated by Defense Minister Pavel Grachev. He stressed that this would be possible only if the illegal armed formations laid down their weapons:

[Begin Grachev recording] As long as armed bandit formations continue to shoot and kill not only representatives of the federal forces, the Ministry of Internal Affairs, and the militia, but also their own citizens who engage in peaceful work, then punitive operations, if you wish to call them that, will continue against them. But as a rule these operations will be carried out by the forces of the internal troops and militia. [end recording]

Meanwhile, Stepashin, director of the Federal Security Service, says that the moratorium in Chechnya is being observed only by the federal forces. He said that after the May holidays it is necessary—and I quote—to finish off disarming the bandit formations. End quote. He also stressed that this task would be carried out in the main by internal troops.

Stepashin: Basayev 'Number One'

LD0605184995 Moscow ITAR-TASS in English 1611 GMT 6 May 95

[By Olga Semyonova]

[FBIS Transcribed Text] MOSCOW, May 6 (Itar-Tass)—Sergey Stepashin, head of the Federal Security Service (FSB), said that Chechen warlord Shamil Basayev factually commands separatist units, after Dzhokhar Dudayev lost control over the situation there.

Stepashin told Tass that "Basayev, an ardent nationalist and an experienced soldier, who fought in Abkhazia and Nagorno Karabakh, is now person number one in Chechnya".

The FSB chief referred to Basayev's words often cited throughout Chechnya: "I will fight to the end even at my own kitchen-garden".

Spokesman Praises Army Efficiency

LD0605152795 Moscow INTERFAX in English 1257 GMT 6 May 95

[FBIS Transcribed Text] GROZNYY, May 6 (Interfax)—The declaration of the Chief of Staff of the Chechen armed forces Aslan Maskhadov that Dudayev's supporters are not planning any combat operations for May 9 is an indication "of the efficiency of the timely measures of the Russian command to guarantee the security of troops and the peaceful population," a high-ranking spokesman for the federal force told Interfax Saturday.

According to him, the efficiency of these efforts was proved during the past three days when militants suffered major losses in the areas of Valerik, Benoi, Shali, Bamut and Orekhovo—several dozen militants were killed there. Among other things ambushes were organized to resist night-time attacks by the Chechens. Russian snipers destroyed militants who tried to approach the positions of federal troops.

Commenting on the declaration of Dudayev's press secretary Movladi Udugov, who denied reports of dozens of killed Chechens, the official said: "There is a limit to lies. Whose bodies do you then think we return daily to the Chechen side for burying?"

Pacific Fleet Marines Withdrawn

LD0605121195 Moscow INTERFAX in English 0936 GMT 6 May 95

[FBIS Transcribed Text] Vladivostok, May 6 (INTERFAX-EURASIA)—The Pacific Fleet Marine Regiment withdrawn from the conflict zone in Chechnya returned to its barracks in Vladivostok (the Far East) Friday.

At the military airdrome where the transport planes landed the marines were welcomed by the fleet commander Admiral Igor Khmelnov and the Governor of Maritime Territory Yevgeniy Nazdratenko.

In four months of hostilities the marines lost 37 men killed and over 100 wounded. Over 800 marines have been named for decoration for their courage and heroism.

The joint marine regiment of Russian fleets that arrived in Chechnya last week includes a battalion from the Pacific.

MVD Troops Said Terrorizing Villagers

MK0705083495 Moscow SEGODNYA in Russian 7 May 95 p 1

[Report by Dmitriy Volkov under the "Legality" rubric: "Chechen Villages Hit by Samashki Syndrome"]

[FBIS Translated Text] Russian Defense Minister Pavel Grachev has conceded that "the process of restoring constitutional legality" in Chechnya has slowed considerably. In the wake of the Samashki tragedy, people in territories more or less controlled by federal authorities harbor a deep distrust of the law-and-order organs, which are not represented there by militia, prosecutors, or courts of law. Law and order are in the hands of servicemen of the Russian Federation MVD [Ministry of Internal Affairs] Internal Troops, and their idea of the law appears to be rather peculiar.

The environs around the village of Valerik ("And there from the edge of the woods, they came out a-whooping and galloped toward our cannon," wrote Mikhail Lermontov) became a scene of clashes between federal troops and militants the day before yesterday. A day earlier, the head of the administration of this village 20 km from Samashki, Bukman Madalov, turned to the head of the republic's pro- Moscow government with a request to produce guarantees against a repetition of the Samashki tragedy. In Mr. Madalov's words, the village got rid of the militants a month and a half ago, but its inhabitants increasingly fear that the Internal Troops will decide to carry out an operation similar to the one in Samashki. Such fears are widespread in Chechnya.

It is hard to sum up the situation by maintaining that the MVD troops are the main bandit formation in Russian-controlled territories in Chechnya. However, visiting Chechen villages, your SEGODNYA correspondent heard from their peaceful residents accusations against "mercenaries" (that is, men who join the internal troops on a contract basis) engaging in open marauding and terror against the villagers. Locals say their complaints to the internal troops commander against what his subordinates do outside their compounds have no effect. The villages maintain that the border troops deployed on the other edge of the village behave decently.

The villagers of Assinovskaya, who are Russian Federation citizens, could of course have referred their complaints to the prosecutor's office. The trouble is that they are not under the jurisdiction of neighboring Ingushetia, according to Sunzhenskiy Rayon prosecutor Akhmed Tsagoyev, and it is not all that simple to reach Groznyy. And for that matter, things in Groznyy are also rather tricky in a legal sense.

Thus, the excesses of the Dudayev regime that Moscow jurists cite to validate the forcible "restoration of constitutional legality" have not been replaced thus far by law and order, but rather by the excesses of poorly disciplined, well-armed men (incomprehensibly accepted to serve in the internal troops on a contract basis) who, in Mr. Tsagoyev's words, feel "complete impunity." It is not surprising that, facing these men at gunpoint, the Chechens experience the "Samashki syndrome" and are not inclined to eject the militants.

Dudayev on 9 May Cease-Fire Prospects

AU0805110295 Hamburg WELT AM SONNTAG in German 7 May 95 p 6

["Exclusive" interview with Chechen President Dudayev by Nikolay Nor-Mesek, head of the Institute for Soviet Studies in Frankfurt am Main, on 6 May at "one of Dudayev's command bases": "Dudayev: The Russians Are in Control During the Day, We Are During the Night"]

[FBIS Translated Text] [Nor-Mesek] The Russian military leadership is talking about a major offensive by your troops on 9 May.

[Dudayev] First, this shows that Moscow is not familiar with the basic rules of liberation struggles; and second, for us that day is an important date as well, where we commemorate the victims of the Great Patriotic War, which also took a heavy toll of lives among the Caucasian nations. Ingushetians and Chechens were taken from the camps by Stalin and thrown in front of Hitler's army as cannon fodder. We know how to honor the war victims of the nations of the former Soviet Union, because hundreds of thousands of Chechens were murdered or killed in action.

[Nor-Mesek] President Boris Yeltsin has ordered a unilateral temporary cease-fire. Will this be observed by the Russian troops, and why will there be no mutual cease-fire?

[Dudayev] We offered negotiations without any preconditions. My chief of staff, Aslan Mashkadov, frequently meets with General Anatoliy Kvashin (commander of the northern Caucasian military district), but all our attempts to end the suffering of our people are being ignored by President Boris Yeltsin. Yeltsin is putting his hopes in splitting my military leadership by trying to win over several of my commanders. He offers them posts and a lot of money.

[Nor-Mesek] Does that mean that the occupation troops do not have your country under control militarily?

[Dudayev] Putting it simply, there are a great number of Russians around during the day, but after dark we are in control. Whenever the occupation troops begin their operations, they order combat helicopters to the area first. These are followed by ground troops. The occupation troops are in a bad state, the "elitist" units leave our country in bimonthly intervals to be replaced by others. The same goes for the command level.

At the moment we have 127 prisoners of war, and we estimate the Russian occupation forces at 60,000. My forces are some 9,000 strong. We are far worse equipped than the occupiers, but we are more mobile in the open country.

[Nor-Mesek] What is the situation of the civilian population?

[Dudayev] We are very worried about them. That is also the reason why we are prepared to negotiate, for the occupation troops systematically burn down villages and settlements, they shoot women, children, and old people. The number of victims among the civilian population is almost 100,000.

[Nor-Mesek] Moscow does not say anything about that.

[Dudayev] President Yeltsin is well-informed. Members of his staff are constantly in our country. Yeltsin and his surroundings count on the total subjugation of my people to use it as a warning against similar liberation struggles in Russia. Democracy and self-determination of nations are mere words. Yeltsin does not respect the Constitution. He has been democratically legitimized, but he is still a communist power politician.

[Nor-Mesek] Many heads of state will pay tribute to President Yeltsin in the Kremlin during the next few days. Is that painful for you?

[Dudayev] Certainly, but first of all the guests will pay tribute to the dead of World War II. But I hope that they will put questions about the Russian occupation troops' terrible campaign in my country. My people have a right to self-determination and freedom. Russia has signed the charter of human rights and many other international agreements. Every democratically elected head of state must urge that these agreements be observed.

Militants Fire on Federal Guard Post

LD0705105595 Moscow ITAR-TASS in English 1044 GMT 7 May 95

[By Sergey Ostanin]

[FBIS Transcribed Text] GROZNYY May 7 (Itar-Tass)—A group of militants fired from automatic small arms and under-barrel grenade launchers on a guard post which is close to the Headquarters of the Operational Group of Russian Defence Ministry troops in Groznyy early on Sunday morning. Due to resolute actions of units of Federal forces, the militants were scattered, a spokesman at the Headquarters has told Itar-Tass.

According to the Headquarters, unlawful armed groups brought down a mortar fire on the positions of a motorised rifle regiment deployed in the area of Shali last night. Russian units returned the fire. There were no losses among servicemen.

A motor convoy of unlawful armed groups tried to ride into Groznyy from the direction of Staropromyslovskiy district last night but was scattered by fire from self-propelled artillery mounts. Several trucks were destroyed, Itar-Tass correspondent Sharip Asuyev reported on Sunday referring to an aide to the Military Commandant of Groznyy.

Troop Commander Warns 'Militants'

LD0705145195 Moscow INTERFAX in English 1437 GMT 7 May 95

[FBIS Transcribed Text] MOSCOW, May 7 (Interfax)—A spokesman for the command of federal troops in the Chechen Republic told Interfax on Sunday [7 May] that acting commander of the federal troops contingent in Chechnya, Colonel-General Mikhail Yegorov had made a statement.

It says that cases became more frequent when Dudayev militants deploy heavy military technology among settlements in close proximity of residential blocks and open fire against Russian servicemen, which entails casualties.

Appealing to the reason of the Chechen people, the commander warns that "to protect the lives and health of servicemen, if similar actions repeat, Russian troops will also open fire."

Yegorov put all responsibility for the consequences of those actions for "the instigators who attempt to cause damage to federal forces."

Groznyy Pays Tribute to Veterans

LD0805110995 Moscow ITAR-TASS World Service in Russian 0655 GMT 8 May 95

[By ITAR-TASS correspondent Sharip Asuyev]

[FBIS Translated Text] Groznyy, 8 May, (TASS)—It is unusually quiet in Groznyy this morning. Only the sound of patrol helicopters is breaking the silence of a warm spring day. However, there are not many people in the streets. The bulk of the refugees have not yet returned, some are fearful, others have nowhere to return to.

Tomorrow, Groznyy will pay solemn tribute to 3,500 veterans. Today, they are going to receive presents from the Civil Defense Ministry and the Ministry of Emergencies and Natural Disasters.

Federal Troops Kill 33 Chechen Fighters

LD0805114895 Moscow Radio Rossii Network in Russian 1100 GMT 8 May 95

[FBIS Translated Text] The press center of the command of the united group of Russian troops in Chechnya reported that 33 Chechen fighters, their armored vehicle, four cars, and a missile launcher were eliminated during fighting last night. The federal troops lost five servicemen and another 30 were wounded. There are also reports that last night Dudayev's fighters fired on several command offices of the federal troops. They used small arms, rocket launchers, and grenade throwers. It is being stressed that government subunits continue to strictly follow the announced moratorium and engage only in retaliatory fire.

Police Arrest Man Carrying Weapons

LD0805150495 Moscow INTERFAX in English 1251 GMT 8 May 95

[FBIS Transcribed Text] MOSCOW, May 8 (Interfax)—A total of 33 militants, an APC-80, four vehicles and an air defence launcher of the illegal armed units were destroyed by federal troopers in Chechnya last night, sources at the press center of the federal troops' command have told Interfax.

According to the press center, this was done in response to 12 cases of Chechen shelling of Russian positions and three car columns. The sources stressed that the federal troops "strictly abide by the moratorium."

Five Russian servicemen were killed and over 30 wounded, reports the press center. Commandant's offices of Russian troops were put under fire last night. Both fire arms and mortars and grenade launchers were used.

"However, militants have not had any success," stressed the press center. Federal troops "fully control the situation on Chechen territory."

Staffers of the Russian Interior Ministry's traffic police detained a person carrying two RGD grenades, five grenade-launcher shells and some 1,000 cartridges at the Chervlenaya-Junction railroad station. His involvement in terrorist acts on republican territory is being verified.

Meanwhile, a meeting of war veterans was held last Sunday in Groznyy to mark the 50th V-day. Deputy Commandant of Chechnya Colonel Davydov congratulated the war veterans on the upcoming holiday.

Dudayev Denies Attending Military Talks

LD0705091595 Moscow Radiostantsiya Ekho Moskvy in Russian 0800 GMT 7 May 95

[FBIS Translated Text] Revelations of Dudayev's anonymous supporter were published in the last issue of the OGONEK magazine, who claims that the Chechen leader was present at the talks with the Russian military.

Dudayev was wearing a mask, disguised as one of [Aslan] Maskhadov's [chief of Dudayev's general staff] bodyguards. The author finds it really difficult to explain why Dudayev did this. Perhaps he wanted to check on Maskhadov, or perhaps it was just "brilliant mischief," as the author puts it. Anyway, Movladi Udugov, head of Dudayev's press service, has denied the report.

[Begin Udugov recording] Most likely, that was just a result of the journalist's fevered imagination, a legend invented by someone—just a rumor. [end recording]

Dudayev Radio To Broadcast From Poland

LD0805115695 Moscow 2x2 Television in Russian 1100 GMT 8 May 95

[FBIS Translated Text] The POSTFACTUM agency learned that Dzhokhar Dudayev's government radio station, the Free Caucasus, is to start broadcasting to Russia and other countries in the next few days from the Polish city of Cracow.

Press Center: 11,500 Dudayev Men Dead

LD0605221095 Moscow ITAR-TASS World Service in Russian 1534 GMT 6 May 95

[By ITAR-TASS correspondent Olga Semenova]

[FBIS Translated Text] Moscow, 6 May—It is estimated by the Joint Command that since 12 December 1994, during the period of hostilities in Chechnya, Aslan Maskhadov's illegal armed formations alone have had 11,500 of their best trained fighters killed. The ITAR-TASS correspondent was told this today by a spokesman of the press center of the Joint Group of Federal Forces in the Chechen Republic.

He emphatically rejected the claim made by Movladi Udugov and reported by several of the mass media on 5 May that Dudayev's fighters are not sustaining any losses in combat actions against the federal forces.

Migration Said Decreasing

LD0505140795 Moscow ITAR-TASS in English 1338 GMT 5 May 95

[FBIS Transcribed Text] MOSCOW, May 5 (Itar-Tass)—Only 1,824 people turned to Russian territorial migration services in the past two days, the press service of the Russian Federal Migration Service told Itar-Tass on Friday. There has been a steady trend for the decrease of migration from Chechnya of late, according to the data of the Federal Migration Service.

Civilian population is returning to Chechen districts controlled by federal troops. As many as 8,646 people have already returned to Groznyy with the assistance of the Migration Service of Chechnya. As many as 372,259 people have been registered with the Russian territorial migration services from December 8, 1994.

Five centres for temporary accommodation in Groznyy are being set up. A boarding school where 600 people can be temporarily accommodated is being repaired.

Bread is delivered daily for residents of Groznyy and Argun. Bus services are operated between populated localities in Chechnya and the cities of Mozdok, Nazran, Mineralnyye Vody, Khasavyurt.

Caucasus Border District Prepares for 'Provocations'

LD0605223795 Moscow ITAR-TASS World Service in Russian 1548 GMT 6 May 95

[By ITAR-TASS correspondent Anatoliy Yurkin]

[FBIS Translated Text] Moscow—Several attempts to launch armed attacks on the units of the Caucasus special border district have been stopped with the use of fire arms. An ITAR-TASS correspondent was told today at the Federal Border Service (FBS) of the Russian Federation that the border unit north of the Ingush village of Galashki, covering the administrative border between Chechnya and Ingushetia—came under attack last night from the direction of Chechnya. Earlier, in the evening on 5 May, the unit stationed east of the village of Nesterovskaya (Ingushetia) was fired at by unidentified people. None of the border guards was hurt.

The FBS of the Russian Federation said that the border guards were obliged to repel these and other armed attacks using fire arms. Officials at the FBS say that the increasing number of attacks on border posts and units on the Chechen-Ingush administrative border demonstrates that Dudayev's armed groups are trying to extend the area of military activity and to drag other regions of the Northern Caucasus into the conflict.

In addition, the FBS said, fighters from illegal armed groups are actively spying on the border units of the Caucasus special border district. These units have blocked the entry of arms and ammunition into Chechnya. The border guards are also concerned about the possibility that subversive, terrorist groups of fighters may break through into Ingushetia, Dagestan, and other districts from Chechnya in order to carry out provocations during the celebrations.

Satellite Communications Station Opens in Groznyy

LD0505155595 Moscow Russian Public Television First Channel Network in Russian 1400 GMT 5 May 95

[Report over video by correspondent Nikolay Shebalkov; from the "Novosti" newscast]

[FBIS Translated Text] A satellite communciations station has begun operating in one of the suburbs of Groznyy. It was brought here from Mozdok. Assembly and installation work was carried out in a record time—48 hours. And this is not surprising because the station is serviced by specialists of the highest class. In conditions of a lack of information it is difficult to overestimate the importance of the station. It is precisely because of it that you are able to watch this reportage. In a word, the station is unique, one might even say famous.

[Karimov] On 31 December and on 1 and 2 January we had to come here to the station in Mozdok in order to cover the events in Chechnya.

[Slepkev] The station is a pretty powerful one; it provides the possibility of relaying to the channels of Ostankino and Eurovision, and via Eurovision to other programs, and it gives us the chance to convey the truth—up-to-the-minute truth—on what is happening here, how the fighting is going, and how building the peace is progressing.

Economic Issues

Minister Predicts Stable Ruble Exchange Rate

MK0605100195 Moscow SEGODNYA in Russian 6 May 95 p 2

[Report by Aleksandr Bekker in the "Revelations" column: "The Economy Minister Is Sympathetic Toward Central Bank Policy. The Refinancing Rate and the Rate of the Dollar Can Be Reduced"]

[FBIS Translated Text] Economy Minister Yevgeniy Yasin believes that the policy of a "soft" devaluation of the ruble in line with the rate of inflation "has outlived itself because it bred inflationary expectations." He thinks that in the next few months the exchange rate will hover around 5,000 rubles to the dollar and believes it is time to lower the rate on Central Bank credits. At the same time he agrees with Tatyana Paramonova, who is convinced that the refinancing rate cannot be reduced too sharply. "The best we can afford is 10-15 percentage points," Yasin said. According to him, the main demand on monetary instruments is predictability and the absence of sharp fluctuations so that market agents can adapt to it without hurting themselves.

The minister has a slightly more complex attitude toward the Central Bank decision to increase reserve requirements for commercial banks, which has been widely criticized by the public. "I basically support the Central Bank's position," Yasin said. Yet he made a number of comments: "The Central Bank's actions could have been more public, at least insofar as pertains to their coordination with the government." The minister thus explained the nature of the Central Bank's surprise move: Bank analysts discovered a multiplier growth effect, i.e., the monetary base was hardly expanding, but as the result of an appreciable acceleration in circulation, the money supply was rapidly increasing. The reason was that commercial banks continued to issue credits to the national economy, ignoring the administration's efforts to compress the money supply. If continued, this trend could have put an end to the government's anti-inflation course.

In this situation, the Central Bank leadership came to the conclusion that although the Central Bank reserve fund rate for commercial banks is indeed high, it does not extend to all of their accounts, allowing them to "make good" by issuing credits to economic entities. The economy minister was sympathetic toward "such reasoning on the part of Tatyana Vladimirovna Paramonova." He believes that this is a sensible measure designed to prevent banks from shifting money from one account to another. His disagreements with the acting Central Bank chairperson result from his belief that the extension of reserve requirements to all accounts should have been accompanied by a simultaneous decrease in the interest rate on them. "Then there would have been no irritation and massive rejection on the part of commercial banks," Yasin said. Another disagreement resulted from the imposition of reserve requirements on the passive "loro" account—correspondent accounts with other banks. This means that the same funds are subject to reserve requirements twice.

The minister considers it necessary to rectify such "technical" inconsistencies. He reiterated, however, that on the whole he approves of the Central Bank's actions, viewing them from the position of curbing inflation.

Economic Stabilization Problems Considered

MM0505130995 Moscow ROSSIYSKIYE VESTI in Russian 5 May 95 p 2

[Article by Vladimir Mau: "Third Attempt at Stabilization"]

[FBIS Translated Text] Russia's economic policy life in the spring of 1995 is developing under the influence of a complex of very contradictory factors. On the one hand the approaching parliamentary elections are making the stepping up of populist rhetoric from the main participants in the political process virtually inevitable. On the other the government is continuing to demonstrate its adherence to a tough stabilization course which was announced back in the fall of 1994 and whose logic the government (or at any rate its economic part) has been continuing persistently to implement for several months now. The selection of measures to liberalize foreign economic activity and renounce the numerous fiscal concessions for individual economic agents have become steps of fundamental importance for the implementation of this policy.

The contradiction between the populism of the election race and the tasks of economic stabilization is pervading the entire present-day political struggle in Russia and is being manifested simultaneously in several aspects at various levels of the country's social life.

Above all there is the problem of choosing the mechanism for the consolidation of power and the stabilization of the socioeconomic and political situation. Right now two fundamentally different options remain for resolving this global task. The first is based on the economic logic of resolving general political questions, that is it presupposes the path of macroeconomic stabilization already tested in a whole series of countries and entailing (all conditions being equal) the start of economic growth and the improvement of the people's prosperity. The other path is based on the operation of the idea of nationalism as synonymous with xenophobia in politics and the closure of the economy against the influence of the outside environment (above all against foreign competition), which presupposes the drastic expansion of the state's guiding and redistribution functions. Influential supporters of both options for the country's development exist in the structures of both legislative and executive power not to mention the political parties which have already entered the election race.

The president's position is mot important in this respect. Supporting the "nationalists" in the sphere of pure politics (the Chechen events, the drastic and not always justified toughening of the tone in foreign policy), B.N. Yeltsin in the economic sphere is so far supporting the "economists" quite consistently. But this dichotomy can hardly continue for any length of time. He will nonetheless have to define his position. And obviously the summer months will be critical and will show the real presence (or absence) of readiness to firmly steer a course toward stabilization and economic growth with the aid of a sufficiently standard selection of measures.

Indeed, over the course of the summer we may expect an increase in the entire complex of painful problems which a tough financial policy inevitably reveals. The country has already reached the borderline where nonpayments will have to be transformed into real bankruptcies and the growth of unemployment. Currency policy will inevitably lead to a reduction in average wages in dollar terms, which means a considerable increase in the number of people below the poverty line. The antistabilization forces interested for various reasons in continuing the policy of high inflation will not fail to take advantage of this. The key problem for the government thus becomes policy in the social sphere, in which it is essential to implement a number of resolute preemptive actions (poverty allowances, a drastic increase in the efficiency of the activity of the entire employment service system, and so forth). Yet this bloc remains traditionally weak in the system of executive power.

Moreover, the main groups of the "cheap money" lobby (the agro-industrial complex and the military-industrial complex) have been organized far better in 1995 than in the past. The Agrarian Party members have used the past few years to build up their ranks and influence at all levels of Russian power. The military could demand that the authorities treat them specially because of the war in Chechnya. The growth of their activity combined with a sufficiently active social policy makes the prospects of an overall stabilization course highly dubious.

Recently the tendencies toward the development of an actual political life from the viewpoint of the prospect of macroeconomic stabilization have been giving rise to some fears. The premier's participation in the creation of a powerful centrist electoral association is undoubtedly complicating his position as a central figure of the stabilization course, which would be considerably easier to implement without looking back at the election race, that is without taking part in it. Now he could be vulnerable to various lobbyist circles which will undoubtedly not scorn to take advantage of the fact.

Progress Seen in Regulating Foreign Trade

MK0705115295 Moscow KOMMERSANT-DAILY in Russian 6 May 95 p 2

[Report by Vadim Bardin under the "Foreign Economic Regulation" rubric: "The Foreign Economic Relations Ministry Is Again on Top"]

[FBIS Translated Text] The government, as KOMMERSANT-DAILY has already reported, has set up a new commission on customs and tariff matters; concurrently, another commission, set up in November 1994—on foreign trade protection measures—has had its status enhanced. These government commissions effectively control the entire arsenal of foreign economic regulation leverage. Both commissions have the same head, Oleg Davydov, deputy premier and minister of foreign economic relations. These innovations prove that the Ministry of Foreign Economic Relations [MFER] has overcome the shock caused by the resolute elimination of specialized exporters, quotas, and licensing, and has even managed to strengthen considerably its regulating authority.

The 1995 model of Russian foreign economic regulation, whose godfather was the IMF, is distinguished by liberalism. Exporters are exempt from virtually all quantitative limitations except for arms export control procedures, Russia's compliance with its international obligations, particularly regarding the export of dual-purpose goods, and anti-dumping punitive sanctions. The key tool is tariff regulation.

In this area the MFER has long competed with the State Customs Committee [SCC]. The customs officials, trying to increase their clout in the government regarding decisions on tariff regulation, have long toyed with a project for setting up an interdepartmental customs-tariff council in which they would call the shots. The government commission on customs and tariff matters appeared to be the embodiment of this very idea. But the customs officials will hardly agree with this viewpoint. The thing is that it is the MFER that was tasked with providing organizational support to the commission. So the MFER has seized the SCC's idea and realized it under the guidance of Deputy Prime Minister Oleg Davydov to its advantage. The MFER should be given its due: The ministry has enhanced its status as the single conductor of the government's foreign economic policy.

The new commission is in for a bumpy road, though. KOMMERSANT-DAILY wrote yesterday that Oleg

Davydov, who objected to raising duty rates during the drafting of a new import tariff, remained in a minority. In fact, a precedent has been set: Considerations of the budget and the protection of domestic manufacturers have taken precedence over the objective of integrating Russia into the world economy. As a counterbalance, the statute on the commission included a provision on the need to bring Russian customs and tariff regulations in line with GATT standards and rules (the drafters of the document appear to have forgotten to substitute WTO for GATT). But as experience has shown, references to international practice are of little effect in Russia. One should seek consolation in the fact that after the rise of import duty rates expected in the near future, there will be only one direction left for export and import tariffs to move, namely, downward.

The government clearly is not going to give up non-tariff regulation methods, however. A legislative framework to restore and even expand them is being energetically created. Furthermore, the government commission on foreign trade protection measures is not alone in pursuing this objective. The MFER, which came forward with the idea of setting up such a commission, has also sponsored the drafting of a bill on foreign economic activity. Although the Duma passed its own version of the bill in the first reading, its key provisions are identical to those of the ministerial draft. In particular, the draft legalizes the introduction of quantitative restrictions both on exports and imports. The bill has not yet been approved, but the government commission, which is according to its status entitled to distribute "quantitative restrictions introduced under the established procedure," is ready to act.

For the time being the protectionist restrictions are being camouflaged as a response to the offenders of Russian exporters. In principle, this tactic is not at odds with WTO principles, but balancing on the brink of the permissible would not be an easy task: For instance, the WTO does not allow quantitative limitations on the food market. Exceptions to general rules are also possible, however, while a transition period has not yet been completed. Moreover, a politically charged scenario is also a possibility: Those favoring a return to the practice of non-tariff regulation (which, in addition, will also apply to imports) may realize their concepts by seizing the opportunity when the IMF eases its control over Russian economic policy. This possibility is not that far-fetched. The government commission on foreign trade protection measures includes, among others, Sergey Glazyev, chairman of the State Duma committee on economic policy, who has just recently called the current cabinet a sell-out government.

On the whole, the lineup of the government commission on protection measures, albeit motley, does have a common denominator. It is dominated by "etatists"—according to their professional status, if not by conviction. The commission includes the chiefs of the Federal Currency and Export Control Service and the Federal Security Service. Andrey Glagovskiy, general director of the Menatep-Impex company, the sole representative of commercial businesses on the commission, looks a "rara avis." Evidently, what matters in this case are not so much political predilections, but rather a confirmation of the fact that representatives of the Menatep group have access to high government offices.

Edict on Investment Under U.S. Oil Accord

MM0505120895 Moscow ROSSIYSKAYA GAZETA in Russian 4 May 95 First Edition p 3

[Russian Federation Presidential Edict No. 418 "On Support for the Priority Investment Projects Financed Under the Russian-American Framework Agreement for the Russian Oil and Gas Industry of 6 July 1993"; signed by Russian President Boris Yeltsin and dated 27 April 1995, Moscow]

[FBIS Translated Text] Given that the granting of financial resources to Russian oil extraction enterprises and oil refineries without Russian Federation state guarantees is envisaged by the Framework Agreement for the Russian Oil and Gas Industry of 6 July 1993 (Framework Agreement) and with a view to providing economically justified support for such a form of finance, I decree:

1. Oil extraction enterprises and oil refineries which are borrowers under credit agreements concluded with the U.S. Export- Import Bank for projects endorsed by the Russian side in accordance with the Framework Agreement are exempted from the mandatory sale in the internal currency market of a proportion of the foreign currency earnings derived from the export of oil and petroleum products sufficient to meet their commitments under the aforementioned credit agreements provided that all the currency resources thereby released are channeled toward clearing the loans taken out under those agreements.

2. The Russian Federation Ministry of Fuel and Energy, the Russian Federation Ministry of Finance, and the Russian Federation Central Bank, together with Russia's Federal Currency and Export Control Agency, are to exercise supervision here to ensure this edict is carried out. The Russian Federation Central Bank is to establish a procedure for the mandatory sale of the proportion of foreign currency earnings in excess of the amount subject to exemption from mandatory sale in accordance with Paragraph 1 of this edict.

3. This edict comes into force from the day of its signature.

[Signed] Boris Yeltsin, president of the Russian Federation
The Kremlin, Moscow
27 April 1995
No. 418

Yeltsin Amends Edict on Banking System

MM0505154995 Moscow ROSSIYSKAYA GAZETA in Russian 4 May 95 First Edition p 3

[Russian Federation Presidential Edict No. 419: "On the Additions to Russian Federation Presidential Edict No. 1184 'On Improving the Operation of the Russian Federation Banking System' of 10 June 1994"; signed by Russian President Boris Yeltsin in Moscow and dated 27 April 1995]

[FBIS Translated Text] Section One of Paragraph Six of Russian Federation presidential edict No. 1184 "On Improving the Operation of the Russian Federation Banking System " of 10 June 1994 (SOBRANIYE ZAKONODATELSTVA ROSSIYSKOY FEDERATSII, 1994, No. 7, page 696) is to have the following words added: "and also for the activity of commercial banks with 100-percent American capital which are residents of the Russian Federation and registered on the territory of the Russian Federation prior to 15 November 1993 inclusive."

2. This edict comes into force the day of its signature.

[Signed] Boris Yeltsin, president of the Russian Federation
27 April 1995, the Kremlin, Moscow
No. 419

Agrarian Sector Lacks Funding for Spring Sowing

LD0505185395 Moscow INTERFAX in English 1518 GMT 5 May 95

[FBIS Transcribed Text] MOSCOW, May 5 (Interfax)—Russia's Agrarian Sector lacks 4-5 trillion rubles to complete spring field work, Deputy Chairman of the State Duma's Committee for Budget, Taxes and Finances Gennadiy Kulik has said.

"According to the most conservative estimates the agro-industrial complex needs 10 trillion rubles for the first five months of the year to complete spring field work. The government promised 4.3 trillion rubles in advance payments for the 1995 harvest but at the same time it denied 6 trillion rubles in favorable credits", Kulik said.

He recalled that by the beginning of May farm producers had received a mere 2.3 trillion of budget money instead of the required 10 trillion.

"The level of state support puts the sowing season in jeopardy", Kulik said. He fears that Russia may lose at least 15-20% of the 82 million tonne grain harvest forecasted this year. Besides, the loss of another 20-30% of the grain harvest is likely due to the lower fertility of soil.

Kulik blames the loss of soils' fertility on the strict rationing of fertilizers. Before 1990 the net amount of mineral fertilizers the agroindustrial complex used per hectare was as high as 120 kilograms, while in 1994 the rate was down to 10 kilograms and this year it may shrink still further to 5-6 kilograms.

International Affairs

Tarasyuk: Clinton Visit Important in Developing Ties

LD0605155395 Moscow INTERFAX in English 1410 GMT 6 May 95

[From the "Presidential Bulletin" feature, compiled by Nikolay Zherebtsov and Andrey Petrovskiy and edited by Vladimir Shishlin]

[FBIS Transcribed Text) The first state visit by an American president to Ukraine will be an important event in the development of Ukrainian-American relations, and it will make it possible to further the large-scale agreements reached in Washington last autumn.

This statement was made in Kiev by Ukraine's First Deputy Foreign Minister Boris Tarasyuk. As he told journalists, he hopes that the visit will enable the US president to "better understand problems faced by Ukraine on the road of reforming its economy and government."

Tarasyuk believes that the possibility of US mediation in the issue of dividing the Black Sea Fleet will not be raised. According to him, though having a positive attitude to the possible mediation of third countries in this area, Ukraine "has not given up the continuation of talks, since this question must be resolved by us, not by intermediaries."

Washington's readiness to act as a go-between in the talks on ways to divide the Black Sea Fleet in progress between Ukraine and Russia was confirmed by a spokesman for the Department of State at a briefing in Kiev.

As he said, the state of Ukrainian-Russian relations will be a topic of talks to be held between President Bill Clinton and his Ukrainian counterpart Leonid Kuchma in Kiev on May 11-12.

The high-ranking American diplomat reaffirmed Washington's interest in the signing of a large-scale agreement on friendship between Ukraine and Russia. The USA wants to have good relations with both Russia and Ukraine, he noted.

With reference to American investment in Ukraine's economy, the State Department spokesman stressed his country's interest in furthering trade with Ukraine. He conceded however that so far American businessmen are unwilling to invest money in Ukraine's economy.

When asked whether the U.S. president intends to talk Ukraine into joining economic sanctions against Iran or not, the State Department spokesman said that the American attitude to terrorism is known to everyone, and that it must be shared by many, if not all, countries.

The two presidents, he said, intend to discuss the problem of different countries' approaches to NATO membership, and the issue of the nuclear power plant in Chernobyl. The Chernobyl station is a common problem, and it must be resolved by joint efforts, he stressed.

With reference to the Crimean issue the State Department spokesman pointed out that the USA views the Crimea as an integral part of Ukraine.

Tarasyuk on Clinton Visit, Black Sea Fleet Dispute

LD0505175995 Moscow INTERFAX in English 1730 GMT 5 May 95

[FBIS Transcribed Text] KIEV, May 5 (Interfax - Ukraine)—U.S. President Bill Clinton's first state visit to Ukraine will mark an important phase in the development of Ukrainian-U.S. relations which will pave the way for developing large-scale agreements reached in Washington last autumn, Ukrainian First Deputy Foreign Minister Boris Tarasyuk told journalists in Kiev.

He said he hoped that Clinton's Kiev visit would help Clinton to "understand better the problems faced by Ukraine while reforming the economy and the country" as a whole.

Tarasyuk said the two presidents were likely to sign a joint declaration.

He said that the U.S.'s possible mediation at Russia-Ukraine talks on the division of the Black Sea Fleet was unlikely to be discussed. Tarasyuk said Ukraine welcomed the idea of third countries mediating a settlement of the issue. At the same time, he said Ukraine was going to continue the talks with Russia "because we, and not mediators, will have to resolve the issue."

Tarasyuk commented on statements made by Russian Deputy Foreign Minister Yury Dubinin about the situation regarding the Black Sea Fleet made on May 4. Tarasyuk said, "Unfortunately, our partners have taken a very uncompromising stand." He said he believed that Russia's demand that the fleets be based separately would be justified if the parties were discussing a Ukrainian naval base stationing in Russia. Tarasyuk said that within the context of the present situation, "we have the legal right to decide where our navy will be based and nobody can dictate to us which decisions to make."

U.S. Official on Mediation in Black Sea Fleet Dispute

LD0505180295 Moscow INTERFAX in English 1729 GMT 5 May 95

[FBIS Transcribed Text] KIEV, May 5 (Interfax - Ukraine)—The United States is ready to mediate in Moscow-Kiev talks on sharing the Black Sea Fleet between Russia and Ukraine, a U.S. State Department official told a news briefing in Kiev on Thursday [4 May] on condition of anonymity.

He said Kiev's relations with Russia would come high on the agenda of a two day summit between the Ukrainian and U.S. presidents opening in Kiev on May 11.

The U.S. diplomat reaffirmed that Washington looks forward to an early outline agreement between Russia and Ukraine in as it seeks good relations with both of them.

On the issue of Crimea, he said the U.S. sees it as part of Ukraine.

Black Sea Fleet To Celebrate Victory Day

LD0505124195 Moscow ITAR-TASS in English 1217 GMT 5 May 95

[By Lev Ryabchikov]

[FBIS Transcribed Text] SEVASTOPOL, May 5 (Itar-Tass) - The Black Sea Fleet will celebrate the Victory Day with a march of the sailors by the central street of Sevastopol, Vice Admiral Gennadiy Suchkov, Second Commander of the Black Sea Fleet, told Itar-Tass. According to Suchkov, initially it was planned to hold a military parade on May 9. However, a telegram came from Ukrainian President Leonid Kuchma, who demanded that no parade should be held.

Ukrainian army units also wish to take part in the march, Suchkov continued. They do not want to march on their own, because they are afraid of being hissed by Sevastopol residents. We insist that the Ukrainian units should march separately, with a time interval, he said.

The Vice Admiral stressed that the Black Sea Fleet had come to the Victory Day in condition of a high combat preparedness, ready to fulfil the tasks set before it. This was confirmed by the naval exercise, held in April. Despite a difficult economic situation of the Black Sea Fleet, the shootings and the manoeuvering were carried out on a high level.

The reforming of the fleet is under way. Its numerical strength is being reduced, Suchkov continued. In accordance with the reform programme, part of armoured boats were transferred from Izmail to Sevastopol, and some forces were withdrawn from Ochakov. It is a forced measures, because they have to pay enormous sums to Ukraine for the area, in which the fleet is deployed.

The Vice Admiral expressed hope that, in the long run, all the difficulties would be overcome. The most important thing is to define the status of the fleet and of Sevastopol, he stressed. There are many problems which cannot be resolved without it, specifically the bringing of the fleet up to strength. The Black Sea Fleet might be manned by Crimean residents who wish to serve there, but with this in view Crimean residents should be allowed to have double citizenship.

Moscow 'Recalcitrant' on Division of Black Sea Fleet

LD0505141295 Moscow ITAR-TASS in English 1339 GMT 5 May 95

[By Viktor Demidenko and Mikhail Melnik]

[FBIS Transcribed Text] KIEV, May 5 (Itar-Tass)—"Russia is recalcitrant on the division of the Black Sea fleet. But it is the ships' basing and not their division that is important now," Boris Tarasyuk, Ukrainian first Deputy Foreign Minister, told a briefing on Friday [5 May].

If Russia wants to have a naval base in the Ukrainian territory, it is for Kiev to decide where it will be situated, Tarasyuk said. "Also, no one should tell us where to station our fleet and the headquarters of the Black Sea fleet", Tarasyuk said.

He believes that if there is a deadlock, the sides may turn to mediators. Some countries already offer their services as mediators. Kiev, however, is not going to refuse from intensive negotiations with Moscow since this is a matter for Ukraine and Russia and not for mediators to decide, Tarasyuk believes.

Kuchma: Sevastopol 'Cannot Be Handed Over' to Russia

LD0605175195 Moscow INTERFAX in English 1410 GMT 6 May 95

[From the "Presidential Bulletin" feature, compiled by Nikolay Zherebtsov and Andrey Petrovskiy and edited by Vladimir Shishlin]

[FBIS Transcribed Text] In the course of their short meeting with the Russian president in Moscow on May 9 Ukrainian President Leonid Kuchma plans to discuss several problems related to Russian-Ukrainian relations. Speaking at the meeting with directors of Kharkov's industrial enterprises Saturday [6 May] he reported that in the near future he intends to send a message to the Russian president explaining his position on the Black Sea Fleet problem in detail. "Probably, the Russian president is incorrectly informed on these issues," Kuchma said.

Kuchma described the Black Sea Fleet problem as "the single problem of Ukrainian-Russian relations." He expressed the hope that the problems of dual citizenship and inviolability of Ukraine's territory have been already cancelled.

In his words, Ukraine "is ready to hand over practically the whole infrastructure of Sevastopol for stationing the Black Sea Fleet." However, Kuchma underlined, as a city Sevastopol cannot be handed over to Russia as a naval base.

"We are told that the Ukrainian Fleet should not be stationed in Sevastopol," Kuchma said. He attracted attention to the fact that the Russian party often says that it is too expensive to build its own naval base in Novorossiysk. "From where then will Ukraine get the money to build its own naval base?" Kuchma asks.

As he said, the Russian party also delays signing the agreement on free trade. "We have proposed to Russia to establish joint customs and frontier posts on our border," Kuchma reported and noted that there has still been no answer to these proposals.

Kuchma underlined that Russia remains Ukraine's strategic partner. "But we should move forward to meet each other half-way," he noted.

Shmarov, Perry To Attend Ukraine-U.S. Military Exercises

LD0505191895 Kiev UNIAN in Ukrainian 1530 GMT 5 May 95

[FBIS Translated Text] Kiev [no date as received]—Ukraine's Defense Minister Valeriy Shmarov and U.S. Secretary of Defense William Perry will take part in Ukrainian-U.S. military exercises "Peace Shield-95" due to take place on 23-27 May at the Precarpathian military district [western Ukraine], General Mykhaylo Panchuk, acting commander of Ukraine's land forces told a briefing on 5 May.

Panchuk said that military observers from Romania, Bulgaria, Hungary, Poland, Germany, and the Netherlands were invited to attend the exercises.

According to Panchuk, "the results of the joint maneuvers will lay down a basis for the preparation of similar exercises in the future."

Colonel Vasyl Malikov, chief of staff of the 24th Motor Rifle Division of Ukraine's Armed Forces—who will control the exercises on the Ukrainian side—told journalists that the exercises would be conducted with the aim of coordinating joint actions within the framework of the UN armed forces' peace missions in conflict zones.

About 300 U.S. and 400 Ukrainian servicemen will be involved in the maneuvers to be conducted at the Yavoriv training ground near Lvov.

According to Malikov, Ukraine's Armed Forces will be represented by 15 armored personnel carrier-80s, three Mi-8 helicopters, and 46 trucks. The American side will employ 50 trucks. A command group has been set up to control the exercises.

Foreign Minister, Delegation Arrive in UK for VE Day

LD0605214795 Kiev UT-1 Television Network in Ukrainian 1800 GMT 6 May 95

[FBIS Translated Text] A Ukrainian delegation led by Foreign Minister Hennadiy Udovenko has arrived in London at the invitation of the British Government to take part in VE Day festivities. Right after the arrival, Hennadiy Udovenko laid flowers at the monument to Prince Volodymyr [Kievan Rus prince who reigned in 10th-11th centuries], which was erected in London at the expense of the Ukrainian diaspora. He also met representatives of the Ukrainian community.

Today Ukraine's foreign minister met representatives of the British business circles. The head of the Ukrainian delegation revered the memory of the United Kingdom citizens who died in the Second World War. He laid a wreath at the Grave of Unknown Soldier at Westminster Abbey.

'Diplomatic Standoff' With UN Over Croatian Peacekeepers

WS0505095395 Kiev INTELNEWS in English 0235 GMT 5 May 95

[Report by Halia Pavliva]

[FBIS Transcribed Text] Kiev, May 4—Ukraine and the United Nations are currently embroiled in a diplomatic standoff over the deployment of Ukrainian peacekeeping forces in the former Yugoslavian republic of Croatia.

While the defense ministry says that the UN command has not made a final decision, Ukraine's diplomats and politicians are already in an uproar over the reported decision to withdraw the Ukrainian peacekeeping battalion from the troubled area.

Presidential National Security Advisor Volodymyr Horbulin told UN officials in New York on Wednesday that Ukraine was ready to take an active part in settling the conflict in the former Yugoslavia by using its own peacekeeping forces.

Ukrainian officials said they were not consulted about the withdrawal decision.

Presidential administration representative Viktor Voronyn said on Thursday that Ukraine is waiting for an official explanation from the UN. "The president has sent a letter to UN General Secretary Butrus Butrus-Ghali asking for an explanation of the withdrawal order, but we've still received no reaction," he said. According to him, "it is impossible to predict now when the final decision on the Ukrainian troops in Croatia will be issued by UN Secretariat."

"The order could be explained by purely political reasons," said Ivan Zayats, member of parliamentary committee on foreign policy. "This decision is advantageous for some political structures of Russia, a country which has it's own ideas on the stability of the European region."

Presidential officials echo this assessment. "The UN clearly took a political step. This cannot be treated in any other way," said Viktor Voronyn, assistant to the head of the administration's foreign policy division.

"The withdrawal order is being initiated by those forces which are not interested in seeing Ukraine raise its international authority," he said.

Foreign Minister Hennadiy Udovenko officially appraised the decision of UN as "illegal and discriminatory."

Ukraine is not going to give up and, according to Zayats, has been conducting active negotiations through diplomatic channels.

According to Volodymyr Yelchenko, assistant to the head of the defense ministry's international organizations division, the UN Secretariat issued "just a preliminary decision" on April 26 to withdraw Ukrainian peacekeeping troops from the territory of Croatia.

Anatoliy Zlenko, the permanent representative of Ukraine to the UN Organization in New York said he was informed that the Ukrainian battalion will be withdrawn by the end of May for the territory of Bosnia.

Ukraine is also interested in the UN peacekeeping actions because of the large amount of money that Ukraine gets for the use of its peacekeeping forces, said Zayats. "Everybody definitely understands it, but nobody says it aloud," he said

Ukraine brought it's troops to the former Yugoslavia in November 1993. "Since that time we have received no complaints about our troops," said Voronyn.

Peacekeeping operations in Croatia are divided into four military districts. According to Yelchenko, the Southern district in which the Ukrainian battalion is stationed is quieter than the others and the redeployment of the troops cannot be justified on the basis of the worsening military situation.

"The improper usage of the peacekeeping forces is leading to the consequence of war," said Voronyn, talking about the current situation in Croatia.

Foreign Ministry on Maintaining Presence in Croatia

LD0505175395 Moscow ITAR-TASS in English 1730 GMT 5 May 95

[By Tatyana Kovalevskaya]

[FBIS Transcribed Text] KIEV, May 5 (Itar-Tass)—The withdrawal of a Ukrainian battalion from Croatia is being discussed in connection with the planned reduction of U.N. peace-keeping force in Croatia, head of the international organizations department Vladimir Khandogy told a briefing at the Ukrainian foreign ministry here today.

Croatia has insisted to reduce the strength of the U.N. force to 5,000. Under preliminary agreements, the strength will amount to 8,750 men. The force will involve nine mechanized battalions—three battalions of Western Europe, three of Eastern Europe and three of developing states. Battalions of Poland, Slovakia and Russia are expected to remain on Croat territory to represent Eastern Europe. In the words of Khandogy, Ukraine is interested in its presence in Croatia.

Moroz, OSCE Mission Head Discuss Crimean Issue

LD0605190995 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 6 May 95

[FBIS Translated Text] On 6 May Chairman of the Supreme Council of Ukraine Oleksandr Moroz received head of the OSCE mission in Ukraine Andreas Kohlschuetter at the latter's request. The guest informed the Supreme Council Chairman of his mission in Ukraine as regards the Crimean issue and emphasized that Crimea's autonomy can find its place within the framework of sovereign Ukraine only.

During the conversation Oleksandr Moroz emphasized the importance of the autonomy's Supreme Council as a democratic institution and a body of people's power in the region. It was pointed out that over the past two years the Supreme Council of Ukraine had repeatedly been showing its readiness to compromise and passed a number of resolutions which provided Crimean deputies with vast opportunities for a constructive and creative dialogue. However, none of the attempts of the Supreme Council of Ukraine was responded in a proper manner.

The relevant decisions taken by the Supreme Council and the president of Ukraine were dictated by the need to preserve Ukraine's territorial integrity and to safeguard law and order in the region. These documents comply with the Constitution and laws of Ukraine and with the universally recognized principles of international law. They are aimed not at liquidating Crimea's autonomy but only at bringing its status in line with Ukraine's legislation.

Head of the OSCE mission in Ukraine Andreas Kohlschuetter said that the opinions of the Supreme Council of Ukraine and the Organization for Security and Cooperation in Europe on the inexpediency of holding a referendum in Crimea fully coincide. He informed the Supreme Council chairman of the preparations for a Ukrainian round-table on the Crimean issue, which is due to be held in Switzerland.

Moroz Appeals to CIS on Kiev's Crimea Stance

LD0605200795 Kiev UT-1 Television Network in Ukrainian 1800 GMT 6 May 95

[FBIS Translated Text] Chairman of Ukraine's Supreme Council Oleksandr Moroz today sent letters to the chairman of the CIS Interparliamentary Assembly, Vladimir Shumeyko, and to the heads of parliament of the CIS member-states in connection with the situation that is taking shape around the Autonomous Republic of Crimea.

The letters, in particular, indicate that irresponsible actions by some Crimean politicians and parliamentarians resulted in the Crimean legislation going far beyond the bounds of Ukraine's constitutional framework. Undisguised separatism led to a further decline in the living standards of the Crimean population and aggravated the economic crisis; the struggle for influence on power structures provoked an unprecedented surge of crime. As a matter of fact, the situation got out of the Crimean authorities' control.

In these conditions the Supreme Council and the president of Ukraine were forced to take relevant measures to restore constitutional order in Crimea. The Autonomous Republic of Crimea is an inseparable part of Ukraine and relations between the top bodies of state power of Ukraine and the bodies of power of the Autonomous Republic of Crimea are internal relations, as to their nature. In accordance with the universally recognized principles of international law, which are reflected in the Helsinki Final Act of the Organization for Security and Cooperation in Europe, states should refrain from interfering, directly or indirectly, on an individual or collective basis, in the internal affairs that are within the exclusive competence of another state, regardless of the nature of relations with that state.

The Supreme Council chairman expressed certainty that the parliaments of the CIS member-states would understand and support Ukraine's stance on the Crimean issue.

Sablyuk, Shmarov Meet FRY Counterparts To Discuss Ties

LD0705192295 Belgrade TANJUG in English 1907 GMT 7 May 95

[FBIS Transcribed Text] Kiev, May 7 (TANJUG)—The Yugoslav Federation of Serbia and Montenegro and Ukraine agreed Sunday [7 May] to promote bilateral relations because there were good opportunities for upgrading them despite the U.N. sanctions against Yugoslavia.

The two sides agreed on activities which will soon be elaborated by both countries' experts, visiting Yugoslav Deputy Premier Nikola Sainovic said after a meeting with his Ukrainian counterpart Petr Sablyuk.

The meeting was attended by Yugoslav Defense Minister Pavle Bulatovic and Ukrainian Acting Defense Minister Valeriy Shmarov.

Sainovic described the [word indistinct] of the meeting as very positive. The two sides discussed a wide range of issues of mutual interest in the field of political relations and possibilities of upgrading economic cooperation once the sanctions against Yugoslavia are lifted.

After the working visit to Kiev, Sainovic and Bulatovic left for Moscow to attend the ceremonies marking the 50th anniversary of the victory over fascism.

Council of Europe Official Meets With Kuchma

LD0705181895 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 7 May 95

[FBIS Translated Text] On 7 May Ukrainian President Leonid Kuchma received Miguel-Angel Martinez, chairman of the Council of Europe's Parliamentary Assembly. They discussed the celebrations of the 50th anniversary of the victory over Hitlerite fascism and Ukraine's future entry into the Council of Europe. Miguel-Angel Martinez stressed that Ukraine has a honorable place in Europe and the time when it will become a full member of the Council of Europe is approaching. For his part, Leonid Kuchma noted that Ukraine wants to create history, not alone, but together with other European countries. The head of our state said that everything needs to be done today in order to prevent the division of the continent into two parts. Ukraine supports an evolutionary development of events in Europe. Today there is an illness of separatism and a desire for some countries to re-examine the European map. As Leonid Kuchma said, this is taking place in the former USSR and also in Yugoslavia. Miguel-Angel Martinez highly assessed the activities of the Ukrainian UN peacekeeping battalion in Yugoslavia stressing that without them there could have been thousands of victims. Mr. Martinez said he personally witnessed the bravery and tenacity of Ukrainian soldiers. During the meeting they also discussed Ukraine's internal situation, the closure of the Chernobyl nuclear power station, and Russian-Ukrainian relations.

Kuchma Interviewed on Talks Held in Italy

LD0605103695 Kiev Radio Ukraine World Service in Ukrainian 0500 GMT 6 May 95

[FBIS Translated Text] Ukrainian President Leonid Kuchma yesterday ended his official visit to the Republic of Italy. A number of important interstate accords were signed, initiating a new stage in Ukrainian-Italian mutual relations. Also yesterday, Leonid Kuchma and his entourage toured places of historical and architectural interest in Venice. Interviewed by Ukrainian radio correspondents, Ukraine's head of state said, in particular:

[Begin recording] [Kuchma] This is the first visit by a president of Ukraine to a West European country.

[Correspondent] What is the attitude toward Ukraine in Italy?

[Kuchma] The top-level talks held have once again proved that Italy has a great interest in cooperation, both in the sphere of the economy and of politics. Politically, Italy's support is very important to us because, as you understand, Italy is a member of the G7. Second, it is political backing from all European structures, for Ukraine not forgotten by the Council of Europe, the European Assembly, the European Union, and so forth. So there are a lot of sides to our cooperation with Italy and, really, this visit, I say once again, demonstrates that our wishes coincide. We will move toward each other, and not in the opposite direction.

[Correspondent] Leonid Danylovych: At your meeting with Italian business people, their concern was expressed at the conditions that have arisen in the investment environment in Ukraine. What do you intend to do in the immediate future to encourage it?

[Kuchma] First, it is political stability in our legislation. I would like us, all together—I mean the mass media—to convince our lawmakers: Please, boys, do not be silly, because if this does not happen, nothing will.

We were, indeed, asked this question wherever we went. There are a lot of questions, while the president has too few answers. Not everything depends on the president.

[Correspondent] What initiatives in this respect will you take in the immediate future?

[Kuchma] You know that, first, I have signed an order to form, with the participation of our lawmakers, a commission to draw up a permanent taxation code. This code is to be made ready by 1 June. I then said in my speech that I would take the initiative legislatively after the Supreme Council passes it, for any changes that are likely to occur in future only to be authorized by two thirds of the votes, and not by a simple majority as is the case now with daily changes to our laws.

[Correspondent] Leonid Danylovych: What do you think about the relationship between Italy's parliament and government and, in particular, Irene Pivetti's [Italy's Chamber of Deputies president] statement that the parliament should constructively help executive authorities. This, if I am not mistaken, is precisely what she said: If it had been otherwise, Italy, with its multiparty system, would have long ago faced anarchy and chaos.

[Kuchma] Well, she was absolutely right. We can see that there are constant government changes here, but the ship of the economy is firmly on course. There is a clear and express system of relations between the legislative and executive branches of power. God help us to use this. More importantly, our country, too, could do with a two-chamber parliament, which is my conclusion. If one lacks common sense, the other will then serve to dampen those decisions that our legislature often takes. [end recording]

Meshkov Warns Denuclearization of Ukraine Threatened

BR0505125895 Rome L'UNITA in Italian 5 May 95 p 16

[Interview with Crimean 'President' Yuriy Meshkov by Maddalena Tulanti in Simferopol; date not given: "'I, the President Wiped Out by Kiev'"; first paragraph is L'UNITA introduction]

[FBIS Translated Excerpt] [passage omitted]

[Tulanti] How is it going, Mr President?

[Meshkov] What can I say? Things could be better, but they could be even worse.

[Tulanti] Have you not been out since that Friday 17?

[Meshkov] No, I just go out a little when I see people in front of the building; I get them to tell me how things stand in town. It does them, and above all me, good.

[Tulanti] What have you been doing since then?

[Meshkov] I have carried on working, as far as circumstances permit, of course.

[Tulanti] Have you spoken to Kuchma, even by telephone?

[Meshkov] How could I? He has cut my phone off, my home phone as well.

[Tulanti] How long do you expect to stay here?

[Meshkov] As long as necessary.

[Tulanti] Do you think the worst will happen or that everything can be settled peacefully?

[Meshkov] The course adopted by the Ukrainian leadership is a negation of the legal foundations, of the power of the people, is a negation of the fundamental concepts on which the world community stands. Ukraine is a bankrupt state. If it were not for Russia granting it loans, or rather, economic aid, the very existence of the state would be in doubt: It has no industrial base, it is torn by internal disputes between the east and west of the country, which are completely different from one another, and it violates human rights in the Crimea and the whole of Ukraine. For the time being, the country has a precarious internal stability, but it is all a facade. Like the Baltic states, the Czechs, Poles, Romanians, and Hungarians might want to recover land that only the Molotov-Ribbentrop pact granted to the USSR, and thus to Ukraine. If the Ukrainian state continues to grow weaker, and this is what the current leaders are doing to it, it will be in real danger of falling to pieces. The negation of legality always rests on force alone.

[Tulanti] Why does the Crimea want separation?

[Meshkov] We do not want separation; we want to safeguard the rights of the Crimeans, 65 percent of whom are Russians, and save them from the ruin into which Ukraine is dragging them. In a nutshell, we want autonomy, first and foremost economic autonomy. But in order to achieve it, we need our own government to control the content of the program. I have never told the voters, "Vote for me, and I will take you into Russia." My undertakings concerned people's daily lives.

[Tulanti] Who do you have beside you?

[Meshkov] In parliament, those at least who have not denied their own principles and stated goals, part of the Republican Party, or rather the "Russia Block" that gave me my election victory. And a lot of the population.

[Tulanti] The situation seems to have reached stalemate, but beginning a war seems unthinkable...

[Meshkov] War is out of the question. It is true that there may appear to be no way out of the situation, because we have only right on our side; the use of arms as an argument is unacceptable to us. The temptation is always there, because using force seems quicker. But, as recent history shows, all it produces is suffering, and it is not even the fastest means, added to which it places the oppressed and the oppressors on the same level, and it is difficult to establish who is right and who is wrong. Nonetheless, unless force is used, the situation is not drawn to the attention of public opinion: Only bloodshed attracts and interests the world. But the Crimea is a fuse. All we can do is burn, and as soon as the flame reaches the Russian giant and Ukraine, the trilateral pact on the denuclearization of the Ukraine could go up in smoke as well.

[Tulanti] What do you expect to happen over the next few days?

[Meshkov] Forecasts have to be based on stability, on rights being respected. Europe is predictable, with its strength and economic stability. But when rights are not respected, no forecasts can be made. Here in the Crimea, Kuchma has denied the very power base that elected him, the will of the people. I was elected, he was elected; today he is firing me, but it could happen to him tomorrow: Usurpation knows no limits. So I do not know what may happen tomorrow, or even in an hour's time. I could be arrested, killed. There were 400 armed people awaiting the order to fire on the night of 17 March.

[Tulanti] Did you expect things to go this way?

[Meshkov] No. How could I? Some 1.5 million people elect you, they call you president, you lead the government, and everything seems fine. Former President Kravchuk congratulates you, and the current president comes here and, in this very room, asks for help and backing in his election campaign. And my electorate votes him in as well, indeed, had it not been for the votes of the Crimeans, he would never have beaten Kravchuk. And all of a sudden, this very same person regards you as a something useless to be thrown away. From one day to the next, there is no further use for the president of the Crimea, he no longer exists. How could I have expected anything like that? I am not Jesus Christ, so I am afraid I could not know that the person who kissed me would betray me.

Russian Citizen Expelled for Spying for 'Arab State'

WS0805103595 Lvov INFOBANK in English 0714 GMT 8 May 95

[From the "News Service" feature]

[FBIS Transcribed Text] On May 6, the Ukrainian Security Service provided an explanation regarding the deportation of Russian citizen, Valery Beytter from Ukraine. The explanation says that Beytter in disguise of a private entrepreneur collected secret information on modern technology implemented in the Dnepropetrovsk manufacturing association "Pivdenmash" ("Southern Machines") in order to sell it to an Arab state. This information concerned new models of rocket engines and secret documents on rocket construction. The Ukrainian Security Service reported that employees of Ukrainian security services controlled Beytter's actions from the moment when he for the first time expressed interest in developments of Ukrainian rocket constructors. According to the Ukrainian law "On Legislative Status of Foreigners," that on April 20, 1995 Valery Beytter is expelled from Ukraine for actions which contradict security interests of Ukraine.

National Affairs

Nationalists Oppose Kuchma VE-Day Visit to Moscow

LD0605170995 Kiev UNIAN in Ukrainian 1030 GMT 6 May 95

[FBIS Translated Text] Kiev —The Congress of Ukrainian Nationalists [CUN] has called on the president of Ukraine not to go to Moscow for the festivities to mark the 50th anniversary of victory in the Great Patriotic War. "This celebration, of which the scenario was extracted from the dust-covered stores of the CPSU Central Committee, has been geared solely to elevating the imperial spirit of Russia. It profanes the memory of the dead," a statement circulated by the CUN reads. It continues: "At the time when the Chechen people are disappearing under the surge of Russian onslaught, no leader of the civilized world must visit the capital of the aggressor state."

Kuchma To Remain in Office Until Term Expires

LD0605211195 Kiev UNIAR in Ukrainian 1805 GMT 6 May 95

[FBIS Translated Text] Kharkov—President of Ukraine Leonid Kuchma is visiting Kharkov Region.

At a conference with the leaders of agricultural enterprises and enterprises of the fuel and energy complex, the president expressed his intention "to remain in office until the 5-year term of presidency expires." At the same time, he understands that "unpopular decisions must be made" as there is no other way out, as Leonid Kuchma put it.

"The main thing today is to raise people's living standards. There are two ways out: to tighten our belts or to repay our debts for fuels with our own land and property," he said.

Kuchma Leaves for Kharkov; Will Present Awards

LD0605080995 Kiev Radio Ukraine World Service in Ukrainian 0700 GMT 6 May 95

[FBIS Translated Text] Ukrainian President Leonid Kuchma left for Kharkov today for a working visit, during which he will take part in a conference on the management of agricultural machinery building and fuel and energy industry enterprises, and visit an exhibition of modern agricultural machinery.

It is planned that the president will attend a rally to launch another line of the Kharkov metro and meet staff at state executive authorities. On the eve of the Victory Day, Leonid Kuchma will present awards to Great Patriotic War veterans. He will also visit the memorial to those killed in the war.

Need for Decree on Division of Power Reiterated

LD0605181395 Moscow INTERFAX in English 1505 GMT 6 May 95

[FBIS Transcribed Text] KHARKOV, May 6 (Interfax - Ukraine)—Ukrainian President Leonid Kuchma has called for tough measures aimed at economizing on energy.

Speaking at a meeting with directors of industrial enterprises in Kharkov Saturday [6 May], Kuchma stressed the need for the reconstruction of the thermal-electric power stations "in order to bring their efficiency closer to the world level."

Having noted that Ukraine's unfavorable balance in 1995 was $5.5 billion, Kuchma expressed the opinion that "this year the problem of payment for energy resources will be solved with the help of credits from the International Monetary Fund and the World Bank."

"I intend to adopt unpopular decisions as I understand that there is no other way out," Kuchma said. In his words, he "has been elected to the post of the president for five years and does not plan to leave this post earlier."

Speaking about the power structure in Ukraine, Kuchma said that "there will be no winners in the struggle between two powers, the executive and legislatives ones."

He again confirmed the need to adopt a decree on power which, as he said, "would be better called a decree on division of powers."

Kuchma also pointed to the deficit of "professionals" in the management apparatus. "Several people who earlier worked in the apparatus of the Central Committee of the Communist Party have come to the Cabinet of Ministers," Kuchma said. In his words, "there are more politicians than economists and financiers in the government."

Kuchma Aide on Ideology, Political System

WS0505131595 Kiev KIYEVSKIYE VEDOMOSTI in Russian 28 Apr 95 p 3

[Interview with Serhiy Teleshun, newly appointed acting head of the domestic policy department in the Ukrainian presidential administration, by Olha Chorna; place and date not given: "America's Wealth Grew on a 'Flower-Bed.' Will Ukraine's Wealth Grow on One?"—first paragraph is KIYEVSKIYE VEDOMOSTI introduction]

[FBIS Translated Text] It is no secret that success of any politician largely depends on the reliable defense of his "bases" ensured by his team. It is particularly true when we talk about the state's top leader. After all, professionalism displayed by employees of presidential services and administrations, as well as their ability to analyze and predict the situation in the country is a prerequisite for a wise and balanced state policy. The president, of course, always has the final say, but there are invisible people standing behind his every edict, directive, and report. Serhiy Teleshun is one of them. After the recent dismissal of Petro Lelyk, he has been appointed acting head of the domestic policy department in the Ukrainian presidential administration.

[Chorna] In his recent report to parliament, the president spoke explicitly about the "creeping crisis of state power" in Ukraine. How do you think the standoff between the parliament and president affects the situation?

[Teleshun] The legislative and executive branches of power cannot exist in isolation from each other. It is hard to imagine the executive branch drafting laws and, at the same time, executing them. On the other hand, the parliament—a collective body that, as a result, does not have a system of personal responsibility—cannot assume the role of governing the state. I do not agree with statements about the fight currently being waged by the legislative and executive branches of power. It is rather a battle of two ideologies—the reformist ideology and the conservative one. This holds true for all spheres of our country, including the state system.

[Chorna] Speaking about ideology, is your administration also in charge of creating it?

[Teleshun] Ideology is one of the most important components of the domestic policy pursued by any state, especially when it is going through a crisis or transition period; and of course, its significance should not be underestimated. On the other hand, it by no means should become some dogma that must not be revised or transformed. America, to whose experience our politicians willingly refer, can serve as an example of a creative approach to handling ideological problems. In the 1970's, the idea of the "melting pot" was proclaimed there. It said that whatever nationality an American citizen may have, he or she has to go into this "pot" and come out of it as some kind of typical American—a representative of the single American nation. This was seen as a guarantee for that country's prosperity. Life, however, introduced its own corrections. This idea died. The Americans then came up with another idea—the "flower-bed." There shall be no leveling of people's personal distinctions, be they national or something else. All "flowers" are unique, but together, they make up a single flower-bed, the good condition and tidiness of which depends on everyone. This idea has become a success.

[Chorna] Why do we not adopt something close to this idea?

[Teleshun] In 1991, there was not even a need to invent something. At that time, the time of consolidation of Ukrainian independence, the national idea was very popular. The authorities, however, failed to bolster it with resolute moves toward reforming the economy and the political system of the state. As a result, it became less attractive and the national idea did not become a common idea rallying all the people and political forces. It has been proposed now to replace it with the idea of the country's comprehensive socioeconomic and spiritual rebirth.

[Chorna] This seems to be too little, though. Most people find it difficult to live, let alone think about their homeland's well-being in a condition of protracted instability and permanent concern about their future. Do you not think that in terms of ideology and, so to say, contact with the masses, the official power lags far behind leftist parties?

[Teleshun] I agree that uncertainty is one of the most difficult conditions that people have to experience. It is not by coincidence that in the East, people wish their enemies to live during times of change. But in case you did not notice, the president never promises people that well-being will fall on their heads out of nowhere in six months or, say, a year. He deliberately discarded all populist slogans and "brain-washing" policies, speaking straightforwardly at the very beginning about inevitable hardships that always accompany the process of reforming the economy and the entire state system. On the other hand, the president suggested a pretty concrete way out of the crisis. A sober estimate of the reality; a frank conversation with the people conducted on a parity basis, when your partner appeals to your wisdom, instead of feelings and instincts; respect for the people, and the desire to win over supporters for reforms by having people understand the need for change rather than by making empty promises.

[Chorna] The sphere of domestic policies also includes activities by political parties and organizations. What tactics are applied by the executive branch in conducting relations with them?

[Teleshun] There is a multiparty system in Ukraine. The parties do not fully perform their primary function—to represent the interests of citizens in government institutions. Nevertheless, the multiparty system is an important indicator of society's democratic nature. Speaking about radical parties, any civilized movement operating in compliance with the Constitution has every right to expect a constructive dialogue on the part of the authorities. It is a different thing, however, when a party's goal is to change the political system...

In my opinion, one of Ukraine's sorest problems now is the development of the political centrism. As is known, it is something that serves as a social stabilizing factor in many countries. Erosion of the middle class during economic reforms, as well as the failed policies conducted by centrist politicians in past years, considerably impede the development of centrist parties in Ukraine. If they do manage to cope with the crisis and become a relatively significant political force, this will be thanks to new politicians, including entrepreneurs and managers of the state-run economic sector.

[Chorna] What is the president's attitude toward critical statements about his policies by trade unions?

[Teleshun] He treats them as a natural and necessary element of protecting people's social rights. Their active position prevents representatives of the executive and legislative branches from crossing the line, beyond which, there is a chain reaction of uncontrollable social upheavals. A developing society cannot avoid social contradictions. Our goal is to predict them in advance and reduce their number to a minimum, hence, heading off confrontation in society.

[Chorna] Which of the country's regions is the most dangerous in this respect?

[Teleshun] Regions with heavy concentration of our main industrial potential are traditionally viewed as complicated. Particularly now that this potential urgently requires organizational and technical reconstruction. Any delay in this sphere can result in serious social conflicts and, as the next step, separatism. And of course, the capital, as the face of our state, deserves particular attention.

UNA Prepares for 'Almost Inevitable' War

AU0505152095 Lvov ZA VILNU UKRAYINU in Ukrainian 27 Apr 95 p 1

[Report by Roman Durbak: "The UNA Will Prepare Us for War"]

[FBIS Translated Text] The recent news conference by the head of the Lvov Oblast UNA [Ukrainian Nationalist Assembly] was held "in conditions close to real-life war"—there was no lighting. Mr. Shkil called that a provocation and coercion on the part of the authorities. At the same time, he shared with the audience some happy news (it was one of the two reasons for convening the news conference): On 20 April, the authorities had registered the UNA Lvov Oblast Committee. The other reason was that, on 30 April at 1200, the UNA was gathering all of its supporters near its office at 5 Pushkin Street to hold a civil defense training exercise. This was being done following the recent statement by Russian Foreign Minister Kozyrev on the protection of the "Russian-speaking" population in various republics of the former Union with the help of armed force. That is why the UNA wants to prepare the population for the almost inevitable (according to Anrdiy Shkil) war with Russia, a war that we "are bound to lose." The operation will proceed in close cooperation with the Oblast Civil Defense Headquarters.

The UNA-UNSO [Ukrainian People's Self-Defense] also announced its intention to shun the celebration of 1st May and 50th victory anniversary. "Let those who feel like it celebrate, but it does not concern us," stated Mr. Shkil. Instead of the festivities planned for 5-10 May, there will be a new camp training. Well, some people will go to meetings, while the UNA-UNSO will be preparing for war.

Majlis Leader Views Upcoming Local Elections

WS0505140095 Kiev MOLOD UKRAYINY in Ukrainian 27 Apr 95 p 2

[Interview with Refat Chubarov, deputy chairman of the Crimean-Tatar Majlis, by Volodymyr Prytula; place and date not given: "It Is Worthwhile Postponing the Elections Until Fall"—first paragraph is MOLOD UKRAYINY introduction]

[FBIS Translated Text] The recent decision by the Crimean-Tatar Majlis [parliament]—on non-participation of the Crimean Tatars in the local elections—passed at its emergency session, was a surprise for many politicians in Kiev and Simferopol alike. Refat Chubarov, deputy chairman of the Crimean-Tatar Majlis and head of the kurultay [Crimean-Tatar Congress] faction spoke to journalists explaining such a decision.

[Chubarov] As we know, the Supreme Council of Ukraine passed the Ukrainian law on "Details on Participation in Elections for Local Administrative Bodies of Ukrainian Citizens Deported From Crimea." The law stipulates a mechanism guaranteeing the presence of representatives of Crimean Tatars, Greeks, Armenians, Bulgarians, and Germans—the nations once deported from Crimea—in the local administrative bodies. Yet, when the bill was in the drafting stage, members of the kurultay faction presented the Ukrainian legislators with a chain of proposals which for various reasons, including lack of time, in most cases have never been passed by the Supreme Council of Ukraine. Thus, the aforementioned law stipulating in principle a mechanism for electing representatives of deported nations to local councils, makes this law inoperable.

There are two principal obstacles hampering the implementation of the mechanism. The first one is the necessity to set up additional electoral districts. In accordance with the law, additional electoral districts may be created within the limits of administrative territorial units, and in this case, when the electorate of deported nations apply officially in writing, enclosing some information regarding them and their deportation. If the required number of such applications is collected and is equal to the average number of electors in principal electoral districts, then additional electoral districts can be created. The deadline for sending such application is 21 April; thus only two weeks are left. In similar situations, so to say, according to the law on carrying out a referendum in Crimea, for which around 200,000 signatures have to be collected, two months are foreseen for this purpose. Only signatures on questionnaires have to be collected to hold a referendum, whereas in our case applications have to be sent to electoral commissions.

We maintain that there are currently around 150,000 electors among the deported people. It is a given that every voter will participate in the elections to the councils at two levels, and in some rayons—at three levels. The number then has to be multiplied at least by two, which will result in 300,000 applications. We checked our organizational strength, and decided that despite everything we can manage to implement that task to provide every single Crimean-Tatar voter with information about the essence and requirements of the law by 20 April, thus allowing them to express their will by sending applications. All this, however, could occur if the second obstacle disappears—obtaining Ukrainian citizenship by deported Crimean Tatars. We expected, and we had some reasons to believe in our expectation, that at least at the stage of presenting the applications the issue of Ukrainian citizenship would not be discussed and that it will appear just at the voting stage. With an eye toward introducing amendments and supplements to the Ukrainian Law on Citizenship, all sides involved in legislative initiative are working actively in Kiev. There are certain proposals for a mechanism to obtain citizenship by deported people, thus we expected that this issue will be resolved by 25 June, and all those voters who wish to vote in the additional electoral districts, will acquire Ukrainian citizenship by that time and will participate in the elections. However, to my regret, we were informed by the officials from Kiev that the few days envisaged by the law to collect applications is too short for the Supreme Council to provide us with full information helpful at the stage of collecting applications from the deported people. Therefore, an emergency session of the Majlis was held, where a statement was issued following a discussion. The statement says that it is impossible for the Crimean Tatars to participate in elections to the local administrative bodies, given that the law objectively discriminates against those voters representing the deported people, who are not citizens of Ukraine. Thus, from now on, the local national self-rule bodies will try to explain to the Crimean Tatars that the law cannot be implemented, and they will be offered their own choice. I am convinced that the vast majority of the Crimean Tatars will choose not to participate in elections to the local administrative bodies.

[Prytula] What do you think, who will benefit from such a decision?

[Chubarov] To my regret, we will all lose because of such a decision. However, I would like to point out that the issue of obtaining Ukrainian citizenship by the Crimean Tatars returning to their homeland became an urgent issue not just recently and not in connection with the elections. As early as 1993 after our persistent requests, the Crimean parliament applied to the Supreme Council of Ukraine with a legislative initiative to introduce changes to the Ukrainian Law on Citizenship which will enable the deported residents, who are returning to Crimea to become naturalized automatically in accordance with their wish. I do not want to mention how many times and to which structures the Crimean-Tatar Majlis applied to clarify the current situation. For instance, there is a specific family whose son is called up for military service in the Ukrainian Armed Forces, however, in this case the issue of citizenship is not violated. Another member of the same family—a girl with a higher education could work in a tax department (she is an economist), but in this case the absence of Ukrainian citizenship becomes an obstacle to her employment. Therefore, if the rights of an individual are taken into consideration then, for some reason, the issue of citizenship always hampers their implementation, whereas while taking into consideration individual's duties toward the state this issue just simply does not exist. This is another argument to resolve this problem once and for all.

[Prytula] Which state institutions should resolve or insist on resolving these problems?

[Chubarov] First of all—the Ministry of Nationalities, Immigration, and Religions. I understand that the ministry itself does not have the right of legislative initiative, nevertheless it could be done through the Cabinet of Ministries of Ukraine. The Ministry of Internal Affairs should have worked on this issue, because serious problems are expected in the activities of those bodies. Those problems will exacerbate in the future, given the expected passport replacements. Obviously, these problems should concern the Ukrainian Presidential Administration. We appealed to the aforementioned institutions many times, bringing forth certain proposals. These proposals have been recorded many times in the protocols of Ukraine's State Committee for Deported Residents' Issues.

[Prytula] Is there a way out of the situation? What is the Majlis' approach toward the newly elected administrative bodies?

[Chubarov] I think that obviously, nobody will be able to speak about the illegitimate nature of these bodies if the elections are carried out on the assigned date. Nevertheless, these bodies will have no right to claim that they represent the interests of a considerable part of the Crimean voters—the Tatars. You asked me whether there is a way out? There are a few options. The first is to postpone the elections, say until the fall. I believe that if such an option is discussed the recently developed situation should not be the only reason for postponing the elections. In my opinion, there are many other reasons indicating that it would be justified to postpone the elections. The second option is to hold additional elections after the issue on the simplified naturalization procedure of the Crimean Tatars who are returning to Crimea is principally resolved. To do so, we do not have to change the Law on the Elections entirely—simply additional districts will have to be set up. The essence of the Internal Affairs Ministry's definition is: Deported citizens who are returning to their homeland will obtain Ukrainian citizenship in rayons' and cities' police department under condition that they have arrived at their permanent place of residence. Thus, the procedure for becoming a citizen will be maximally shortened.

[Prytula] Is the Majlis supported by other deported nations? Do you think that the future exchange of passports will enhance the process of naturalization when combined with naturalization of those Crimean Tatars who have such a wish?

[Chubarov] The issue of citizenship touches upon many aspects connected with the rights of deported people, regardless of nationalities. There are issues of privatization, participation in the elections, and employment. This may have an impact on other oblasts. There will be many obstacles in the procedure of exchanging passports, given that the principal condition for obtaining a new passport will be the fact of living in Ukraine as of 31 November 1991. According to data of the Main Inspectorate of the Ministry of Internal Affairs around 64,000 Crimean Tatars have arrived in Crimea since 31 November 1991 and would like to become naturalized in Ukraine but cannot. In our opinion, we have to resolve this problem as much as possible by the time of the exchange of passports. Otherwise, about half of the Crimean-Tatar voters will be deprived of the right of vote.

As for the Armenians, Bulgarians, Greeks, and Germans, according to my information, they are also going to actively work on collecting applications from people representing these nationalities.

[Prytula] Are you not afraid that the Majlis' decision will be assessed as anti-Ukrainian?

[Chubarov] Some of our opponents will surely persistently bring forward this idea. However, our decision by no means should be perceived as an act of political counteraction against the decisions concerning Crimea passed in Kiev. The Majlis' principal viewpoint is that only citizens of a country can participate in establishing that state's administrative bodies. This has been done to counter a situation when complex problems of citizenship remain unresolved, including such specific phenomena as the return of deported nations.

[Prytula] You admitted earlier that the absence of the Crimean Tatars' representatives in local administrative bodies may cause destabilization. At present, after you have passed such a decision—what influence could it have on the situation in Crimea?

[Chubarov] There will be no destabilization in this case. I cannot see any reasons for this, all the more so since there is another important task ahead of us—we have to prepare and hold elections for the next Crimean-Tatar kurultay—which we have to complete by 25 June in accordance with our schedule. Therefore, we will have to hold elections to the national local self-rule bodies. The attitude toward the latter has recently improved in many regions of Crimea. I believe that the newly elected local councils have a chance—naturally, providing that they will want to resolve the problems of all the inhabitants residing in that area—to closely cooperate with the newly elected majlises.

I have heard here the word "boycott" in a question asked by one of the journalists. We are trying to explain to the electors representing the deported nations the stance they can choose given the imperfection of the law. Our stance is determined by slightly different conditions. There is no doubt that only Ukrainian citizens should participate in the elections, however surely it is reprehensible that the issue of deported people, including the Crimean Tatars returning to their homeland, has not been resolved by now. This is Ukraine's Supreme Council's fault, because it did not pass earlier, and does not want to pass now the amendments and supplements to the Law on Citizenship which would serve the interests of the deported people.

In my opinion, taking into account mutual interest, and the situation which has developed, it would be most expedient to postpone the elections until the fall of 1995.

Crimean Presidium Discusses State Property, Privatization

LD0505204995 Moscow INTERFAX in English 1757 GMT 5 May 95

[FBIS Transcribed Text] SIMFEROPOL, May 5 (Interfax - Ukraine)—On Friday the presidium of Crimea's Supreme Soviet approved the draft resolutions of Ukraine's Cabinet of Ministers "On Transfer of State-Owned Property to the Ownership of the Autonomous Republic of Crimea" and "On the Fund of Crimea's State Property" and forwarded them to the Crimean parliament for confirmation.

The draft of the first resolution, particularly, provides for the transfer of property, of enterprises which are on the territory of Crimea and which are destined to privatization in line with Ukraine's decree "On Privatization to Crimea's Ownership."

Speaking at the sitting of the presidium, Chairman of the Fund of Crimea's State Property Aleksandr Kotelnikov reported that the upcoming sitting of the interdepartmental commission on division of property between Ukraine and Crimea would adopt decisions on other facilities not destined to privatization.

In accordance with the second resolution a single system of privatization bodies is expected to be created in Crimea. The Fund of Crimea's State Property and the regional branch of the Fund of Ukraine' State Property in Crimea will be united in a single Fund of Crimea's State Property (FCSP).

The FCSP will be subordinated both to the Fund of Ukraine's State Property and to Crimea's Supreme Soviet and the government.

Kotelnikov believes that the draft resolutions approved by the presidium completely meet Crimea's interests.

On March 17 Ukraine's parliament cancelled the resolution on re- subordination of the regional branch of the Fund of Ukraine's State Property adopted by the Crimean parliament earlier.

'Appeal' Issued Over Severity of Gas Crisis

AU0505172895 Kiev HOLOS UKRAYINY in Ukrainian 4 May 95 pp 1, 3

[Undated "Appeal by the Ukrainian Government to Heads of Enterprises and Organizations, to the Population, and to All Consumers of Natural Gas"]

[FBIS Translated Text] Dear Fellow Citizens,

We appeal to you on the issue, which today concerns every person, affects the interests of every family, and of all of us—the situation with the supply and consumption of gas.

As is known, the situation that has taken shape is far from simple. The prices of fuel are on the increase and, periodically, gas supply becomes threatened. It is only with much effort that the government manages to ensure uninterrupted gas supply both to the country and to every home.

People are concerned that gas may gradually become a kind of "luxury commodity" and that they will have to pay increasingly more for using it.

The government feels profoundly and shares this concern and is doing everything to keep the situation under control. However, all of us need to see clearly the true state of affairs in this sphere and have a good understanding of what we can afford today and what we, unfortunately, cannot.

Provision of Ukraine with gas is 20 percent from our own resources and 80 percent through purchasing gas from the Russian Federation and Turkmenistan. Over last year, 9.4 billion cubic meters of natural gas was consumed.

However, due to the failure by industrial enterprises, organizations, and consumers of communal services to pay for the gas already consumed, their debt has reached a critical sum: 135 trillion karbovantsi [K].

As a result of such a situation, our state cannot pay off its debt to enterprises of those countries which supply the blue fuel. In February 1995, the Ukrainian population consumed 2.3 billion cubic meters of gas worth K0.9 trillion. The actual cost of this amount of gas constitutes K15.5 trillion. The difference in sum—K14.6 trillion, or 94 percent of the actual cost of gas—has been covered from the budget. This means that practically the entire burden of payment for the use of gas falls upon the state, because the cost of gas is much higher than its consumer price.

As of 20 April 1995, our debt to Russia and Turkmenistan for the natural gas supplied during the current year is already $526 million and continues to rise. The average level of payments does not exceed 25 percent of the cost of the consumed gas.

Enterprises of the Ministry of Industry, Ministry of Power Engineering, communal consumers, and budget organizations are the greatest debtors. Consumers in Vinnytsya (49.4 percent of the total cost of the consumed gas), Volyn (51.7 percent), Dnipropetrovsk (67.2 percent), Odessa (74.1 percent), Rivne (70.7 percent), and Kherson (56.8 percent) oblasts and in Kiev (80.9 percent) have particularly large debts.

Our economy has found itself on the verge of serious upheavals. Unless urgent measures are taken to pay off the debt for the consumed natural gas, this will lead to interruption in gas supplies, stoppage of basic industries, and as a consequence, may endanger the further functioning of the national economy and our state independence.

This year, we have been confronted with stringent terms: Payment must be made for the entire amount of gas supplied to us. That is why we cannot continue to hope that the governments and the people of the Russian Federation and Turkmenistan will continue supplying gas to Ukraine virtually free of charge.

In this connection, in order to provide consumers with natural gas this year and during the forthcoming fall and winter period of 1995-96, we need, first and foremost, to pay off the debt for the consumed natural gas and to make regular current payments. In conditions of high prices of imported gas and absence of budget funds for covering the difference in gas prices, we have no way or possibility to reduce the debt other than to cut consumption considerably. It is only on this condition that the government can find capital for crediting and purchasing 17 billion cubic meters of gas between May and September 1995 to pump it into subsurface storage facilities for the coming fall and winter and ensure uninterrupted gas supply.

In the circumstances that have taken shape, the government is not only compelled to resort to measures of strict control over the use of gas, but must also deprive the population of gas for the entire summer period. This will particularly affect rural consumers.

We appeal to heads of enterprises and organizations, to the population, and to all consumers of natural gas with a request to comprehend and realize the threat of stoppage of external supplies of the blue fuel to Ukraine. Unless we import gas, the majority of electric power plants will stop, as well as metallurgical and chemical complexes, enterprises of the foodstuffs industry, and enterprises providing communal services.

We call upon people's deputies at all levels: Make use of your status and authority and help us improve payments for energy sources and launch a campaign for their unwasteful consumption.

We realize that it is painful for the population to cope with the increase in prices of energy sources. However, possibilities for subsidizing the use of gas for all categories of the population have been exhausted and the possibility to use this fuel in debt has also been exhausted. Without regular payments for gas, the deliveries will be halted. This is precisely what has led the government to make changes in the rates of communal services for the population starting from February 1995.

In conditions when we need gradually to adjust internal and external prices of gas, the government calls upon oblast and town executive committees to ensure, as soon as possible, the work of services that grant subsidies to citizens. These services must establish order in the use of subsidies in the sector providing communal services, and grant assistance to those families that are unable to pay the high prices of energy sources from their own incomes. We appeal to all citizens of Ukraine, heads of enterprises, institutions, and organizations to show profound responsibility and understanding of the present critical situation, and do everything in order that payment for the natural gas is made on time and the fuel is used sparingly.

It is only by our joint efforts that we will be able to overcome this situation and prevent the danger of an energy crisis.

State Developing Capacity to Produce Nuclear Fuel

LD0505114595 Moscow INTERFAX in English 1012 GMT 5 May 95

[FBIS Transcribed Text] KIEV, May 5 (Interfax-Ukraine)—Ukraine is developing its own capacity to produce fuel for nuclear power plants, chairman of the State Committee for Nuclear Power Mikhail Umanets has declared in an interview.

Umanets recalled that the Ukrainian Cabinet approved this project last April. The project, extending until 2010, is estimated at $1 billion.

The Ukrainian Committee on Nuclear Power hopes to attract foreign investors to finance the project.

Umanets said that the details of the project were not available for the press. He said, however, that the project provided for creating new facilities to produce fuel elements with the use of foreign technologies in amounts satisfying the requirements of Ukrainian nuclear power plants by 40% to 45%. Umanets says that the production cost of Ukrainian nuclear fuel would be 30% lower than the cost of importing fuel from Russia.

Umanets said there were no plans to create a system for producing highly-enriched uranium in Ukraine. He said that such operations would be better done at enterprises in Germany, France, the United States, or Russia.

Umanets recalled that Ukraine had its own raw materials to produce nuclear fuel (uranium and zirconium ores) as well as technologies (including for enriching uranium ore to natural uranium and of processing zirconium).

Ukraine's nuclear power capability is 100 percent dependent on Russian imports. Aside from gas and oil, Ukraine imports from Russia 100 percent of its nuclear fuel and 70 percent of the equipment and spare parts for its nuclear power stations, Umanets said.

"Russia is a monopoly producer in the Ukrainian energy market and it often makes the Ukrainian power industry use outdated technologies," he said.

Umanets hopes that the project to give Ukraine the capability of producing its own fuel for nuclear power plants will help create 25,000-30,000 new jobs.

Earlier Umanets said that the production of fuel for nuclear power plants may be started at the Eastern ore dressing plant in Zheltyie Vody or the Dnieper chemical plant in Dneprodzerzhinsk.

Umanets said that a concept for the development of the nuclear power complex and a program for handling nuclear waste and spent nuclear fuel had been submitted to the Ukrainian government for approval.

Economic Issues

World Bank To Discuss Agricultural Project Financing

WS0805094395 Lvov INFOBANK in English 0714 GMT 8 May 95

[From the "News Service" feature]

[FBIS Transcribed Text] According to information provided to an INFOBANK correspondent at the Kiev office of the International Bank for Reconstruction and Development, in the second half of May the Executive Board of the World Bank is expected to discuss a possibility of providing a credit for a project of seed-growing in Ukraine. The draft project foresees the construction of three modern plants for the production of seeds. The cost of the project is estimated to be $45 million. Thirty one million dollars of this loan is planned to be covered by the loan offered by the World Bank. The loan will be granted on conditions general for the World Bank credits. It will be given for the period of 17 years with the delay of the paying of the debt during the first five years; the credit rate is 7 percent.

Another three agricultural projects are currently being developed in Ukraine. These projects are expected to be carried out with financial aid of the World Bank. The estimated cost of the first project is about $100 million and it stipulates the restructuring of the agricultural sector and requires financial support for balance of payment of the Ukrainian agriculture. The second project foresees the establishment of a fund of pre-export guarantees. This fund will provide risk insurance for potential creditors of the Ukrainian agricultural sector. The fund is planned to amount to $200 million. The third project involves the creation of a land cadastre and the establishment of a government system of general regulation of land transactions in Ukraine. The World Bank plans to offer a loan of $30 million for this project. The above three projects are being currently developed and they will be considered by the Executive Board of the World Bank some time later.

Talks Held With U.S. on Satellite Launches

LD0605173095 Kiev UNIAN in Ukrainian 0830 GMT 6 May 95

[FBIS Translated Text] Kiev—The first round of U.S.-Ukrainian talks on the preparation of a bilateral government accord on commercial space launches has ended, said Oleksandr Byehlyy, head of the international relations department at Ukraine's National Space Authority, to UNIAN. The leaders of the negotiations were Oleksandr Nehoda, director general of the National Space Agency of Ukraine, and Katrin Novelli, U.S. deputy trade representative for Central and Eastern Europe and Eurasia [name and title as received].

The talks resulted in an action plan leading to the signature of an agreement.

Signing this document, Oleksandr Byehlyy said, will enable Ukraine to provide a range of rocket launch services for the U.S. companies Space Systems/Loral and Rockwell.

At present, discussions focus on three satellite launches, two of them under the Globalstar project.

The Ukrainian side will strive for the incorporation in the agreement of the full range of satellite launch services, rather than supplying carrier rockets only, Oleksandr Byehlyy said. Preliminary estimates suggest that this would raise the value of the contract from several million to at least $ 300 million.

Oleksandr Byehlyy predicted that, given the complexity of the process, work on the document will take no less than a year.

UNIAN believes that the preparation of a similar agreement between the United States and Russia lasted seven months.

The possibility of negotiations emerged after Washington eased its position on Ukrainian access to the U.S. space market.

Final Touches to Ukraine-Tatarstan Oil Joint Venture

LD0505112895 Kiev UNIAN in Ukrainian 0945 GMT 5 May 95

[FBIS Translated Text] Ukrtatnafta [Ukrtatneft, Ukraine Tatarstan Oil] joint stock company, a Russo-Ukrainian joint venture, has cleared another hurdle, as the Cabinet of Ministers of Ukraine approved the company's draft documentation on 4 May, the Ukrainian news agency UNIAN reported. It includes the respective draft agreement between Ukraine and Tatarstan, regulations on an interstate supervisory body, and the company's statute and feasibility study.

Ukraine will hold a controlling stake in the company, with over 30 percent of its shares to belong to Tatarstan and the rest to Russian participants.

An estimated $450 million worth of the property of Ukraine's Kremenchug oil refinery, the principal Ukrainian partner in the deal, will become part of the company's authorized capital. Tatarstan will contribute the rights to oil deposits, to be held for 20 years, with an estimated value of $400 million.

It is expected that payment for oil will take the form of agricultural produce and, possibly, duty-free import of oil refining equipment.

The plan is that, beginning this year oil deliveries to Ukraine, to be handled by the company, will reach at least 8 million tonnes per annum.

Economist on Shortcomings of 1995 Budget

WS0505124895 Kiev VSEUKRAINSKIYE VEDOMOSTI in Russian 28 Apr 95 p 5

[Article by Professor Volodymyr Chernyak, doctor of economic sciences: "Memories About the Future Budget"]

[FBIS Translated Text] The budget has finally been adopted. This is a joy with tears standing in one's eyes—the fact itself is encouraging, despite the imperfectness of this document. As soon as the Supreme Council passed the 1995 state budget, however, the need to amend it according to the results of the first quarter arose. And according to the procedures, the drafting of the 1996 budget should begin as early as May. The Supreme Council is supposed to pass a bill on the budget system in the second reading soon. So to prevent duplication of the current budget's shortcomings, one must name them.

1. The principle of forming the budget from below was virtually not implemented in the 1995 budget. It is too centralized, which is a result of our centralized taxation system. Local budgets do not have enough money to resolve social problems. The regions are demanding greater economic freedom, which, of course, is connected with their higher social responsibilities.

As the experience of many countries shows, linking companies' profits to local budgets, as well as an income tax imposed on citizens, should become the financial basis for local self-government. One can thus establish a foundation for a system of "fiscal federalism," in place of the current "budgetary authoritarianism," in which a higher level council decides what revenues a lower level council should have, and how much. This also refers to expenditures.

It is evident that the budget should be formed beginning with rayon and city councils subordinated to oblast councils, and that taxes should be distributed among budgets at various levels. Currently, companies' social expenditures are not transferred to local budgets, and remain on their balance sheet, as a result of which they are included in production costs, which considerably raises prices for products (for instance, in the coal industry—by 25 percent). It would be expedient to form local budgets proceeding from the principle of the minimum budget provisions per one Ukrainian citizen. The budget, as the most important normative act, must define the poverty line.

2. The centralization of funds and their distribution by the state is a socialist syndrome. In 1994, Ukraine's budget expenditures accounted for 55 percent of GDP (this is the highest level of redistribution of GDP through the state budget in the world). The 1995 draft budget envisioned an increased taxation burden. Obligatory taxes were supposed to amount to 47 percent of GDP, which was 2 percent higher than last year. At the last moment, the Supreme Council removed the "stabilization" tax, as a result of which budget revenues and expenditures were reduced by 4 percent.

Obviously, the taxation burden on producers must be eased, and taxes must be imposed on those who consume more. As for tax exemptions, they are only efficient with regard to innovations and investments. By the way, preferential taxes and credits for investments are one of the reasons behind the economic success of Japan (and other countries).

3. The planned budget revenues are unrealistic if one takes into account the fact that every seventh company incurred losses last year, and that this trend is growing. Additionally, the official economy is declining, and the shadow economy is growing. The shadow capital currently accounts for a third of all money in circulation. The problem of tax evasion is particularly acute (approximately 40 percent of taxes is not collected), and budget revenues thus depend on the efficiency of tax services. Certainly, budgetary problems may only be resolved if favorable macroeconomic conditions are created.

4. The budget was based on a more stringent financial and social policy. Although, under current conditions, this is correct in many respects, the reduced financing of the national economy should be accompanied by drafting state innovation and investment programs and selected support for promising and competitive companies, and to resolve social problems, corresponding state programs should be created to accumulate budget funds. The state must constantly monitor social indicators. Additionally, as I have already noted, a substantial amount of money should be concentrated at the regional level to resolve social problems.

5. The budget was not passed on time—with a six-month delay! As a matter of fact, only quarterly budgets can be drafted given the high inflation rate. A budgetary policy may only be efficient if it is accompanied by a complex of monetary and nonmonetary measures for curbing inflation and establishing a stable monetary system.

Not only the budget, but also the procedures for passing it are imperfect. For example, the U.S. Congress devotes half of its work to debates on budgetary issues. Two detailed and substantial budget bills are drafted (by the Congress and the Presidential Administration), which compete with one another. The primary question for a state, as well as for a family, is where it can find money, and where it can spend it. This is exactly the purpose for which parliaments and government were established.

Ukraine is facing the need to establish a new budgetary system. A corresponding draft bill was passed by the Supreme Council in the first reading. It does not reflect, however, the principle of forming the budget from below. This "egalitarianism" cannot result in anything positive. I think that the problem of unequal development of the regions must be resolved in other ways, in particular, by sending money from state investment and social programs to less developed regions.

To establish a new budgetary system, it is essential to separate monetary policy from financial policy, and the state budget from companies' finances and local budgets, as well as to introduce equal conditions for covering budget deficit at all levels through commercial bank loans and state bonds. Of course, a new budgetary system cannot be created without conducting monetary reform and creating a full-fledged monetary system.

It is time to amend the current budget and think about next year. To think primarily means to create a climate favorable for investments and conditions for invigorating labor, business, and entrepreneurial activity. Only then will the budget procedures be different from those we have now.

Belarus

Lukashenka, Clinton Exchange Congratulations on VE Day

LD0605190395 Minsk Radio Minsk Network in Belarusian 1600 GMT 6 May 95

[FBIS Translated Text] The president of the Republic of Belarus [Alyaksandr Lukashenka] has sent his congratulations to U.S. President Bill Clinton. Here are the contents:

Esteemed president, on behalf of the Belarusian nation I am honored to send to the nation of the United States, and to you personally, sincere congratulations and the best wishes on the event of the 50th anniversary of the end of the Second World War in Europe—the war which became a great [word indistinct] for my country. Our common victory over fascism will always remain—both for the people who went through the most destructive war in modern history and those who were born, like me and you, in peaceful times—not only an occasion to rejoice and celebrate, but first of all, a reminder about our responsibility for peace on earth. Belarusian people remember well [word indistinct] of our nations during the war built on the common ideals of freedom and humanism. Let the memory of those who gave their lives [words indistinct] must live in our hearts and inspire us to creative work for the sake of happiness and well-being of people. With respect, Alyaksandr Lukashenka.

Today, the President of the United States sent an answer to the president of the Republic of Belarus, Alyaksandr Rygoravich Lukashenka, which says:

Esteemed Mr. President, on behalf of the U.S. nation I am sending congratulations and the best wishes to the people of Belarus on the occasion of the end of the Second World War in Europe. On this day we are honoring the memory of the millions of Belarusians who died in that horrific war and remember the self-sacrifice [words indistinct] war veterans and civilians who made a great contribution to our common victory over fascism. Their heritage is a living reminder of our common [words indistinct], to keep the promise to preserve the freedom for the sake of which Belarus gave so many victims. Let it remain [words indistinct] continue to be an example for progress [words indistinct] of friendship and peace. With sincere respect, Bill Clinton.

President Seen Positioning Himself as Unifier of Slavs

MK0605064595 Moscow SEGODNYA in Russian 5 May 95 p 4

[Report by Valentin Zhdanko from Minsk in the "Ambitions" column: "The President Intends for Belarus To Play a Role in Unifying the Slavs. Meanwhile the Economic Situation in the Republic Is Getting Worse"]

[FBIS Translated Text] Alyaksandr Lukashenka's surprise visit to festivities in Belgorod Oblast, where on 3 May a monument-cathedral was inaugurated at the place of the tank battle near Prokorovka, has given rise to many questions and much speculation among the political elite of Belarus. The bewilderment mainly arose from the fact that the head of the Belarusian state deemed it necessary to attend a ceremony not graced by the presence of other CIS leaders. Even Moscow was represented merely by Vice Premier Oleg Soskovets.

In the past few months the national-democratic opposition in Belarus has persistently talked about Lukashenka's far-reaching political plans and his claims to the role of the main unifier of the Eastern Slavic countries. These suppositions are partly confirmed by some of the president's recent statements. In these statements Alyaksandr Lukashenka described Belarus as a center around which the unification of the Slavic people will begin. Furthermore, at various times the Belarusian president has stressed the fact that he was born on the border with Russia and has a Ukrainian surname. These facts, along with a persistent aversion to the Belarusian language, will, according to Lukashenka, help him to become "one of their own" among the Slavic peoples.

In the past few years Belarus has become accustomed to its leaders' various plans for salvation. The people are usually promised prosperity at the expense of rich neighbors. First they counted on exchanging "bunnies" [Belarusian currency] for solid Russian rubles at a one-for-one rate; then they pretended that Russia, in gratitude for fraternal feelings, would supply them with oil at half price and would forgive their debts. Belief in such ideas has been thwarted by the fact that they have never even begun to be implemented, while the economic situation in the country gets worse. The anti-crisis program adopted in late 1994, which runs out in June, has failed on nearly all counts.

Kebich 'Unaware' of 'Major Government Shake Up'

LD0505192095 Moscow INTERFAX in English 1634 GMT 5 May 95

[From the "Presidential Bulletin" feature: by Nikolay Zherebtsov, Andrey Petrovskiy; edited by Vladimir Shishlin]

[FBIS Transcribed Text] Former Prime Minister Vyacheslav Kebich says he is unaware of President Alyaksandr Lukashenka's plans for a major government shake up.

In an interview with Interfax on Friday [5 May], he spoke of meeting Lukashenka several times since the latter's election as president but no government job had been offered to Kebich. IF Note: Last week's reports said Lukashenka had ordered the dismissal of the National Bank Chairman for refusing to cut interest rate from 25 percent to 15 percent.

There are widespread speculations that [Prime Minister] Chygir would be appointed in charge of the Bank with Kebich replacing him as head of the government.

At the same time, Kebich said he was always ready to drop any personal ambitions in order to help the country's young president.

Kebich said he and Lukashenka were never apart on the main political or economic issues.

In his words, there are some who would like to see his relationship with Lukashenka remain on the level of last year's election rivalry. "The campaign is over and it is time to stop exploiting the theme," Kebich said.

Court Chairman Accused of Meddling in Politics

MK0705102695 Moscow KOMMERSANT-DAILY in Russian 7 May 95 p 3

[Unattributed report: "The Belarusian President Is Dissatisfied With the Constitutional Court Chairman"]

[FBIS Translated Text] Alyaksandr Lukashenka has signed an edict on the chairman of the republic Constitutional Court, Valeriy Tikhin, who is charged with participating in political activity. This was announced Saturday by the presidential press service. Under current legislation, involvement in political activity by Constitutional Court members is inadmissible. The press service report does not say what particular actions by the chairman are meant or what measures against him the edict envisions. It is known, however, that shortly before this the Constitutional Court had begun to consider a query by Supreme Soviet deputies regarding the constitutionality of the president's decision to remove Iosif Sederich as editor in chief of the parliamentary paper NARODNAYA GAZETA.

National Bank Cancels Obligatory Sale of Russian Rubles

LD0505180795 Minsk Radio Minsk Network in Belarusian 1600 GMT 5 May 95

[FBIS Translated Text] The National Bank of the Republic of Belarus has taken another step toward making life of businessmen easier. The board decided to cancel, effective 5 May, the obligatory sale of half of the revenue in Russian rubles at the Belarusian exchange. Now all those who have received Russian currency from sale of their goods are allowed to dispose of that money at their own discretion: to exchange it, to invest it, or to use it for other legal purposes. The National Bank is also considering removing or limiting the same obligation regarding the U.S. dollar and the German mark.

Moldova

IMF's Camdessus Predicts Economy 'Turning Point'

LD0605192595 Moscow INTERFAX in English 1711 GMT 6 May 95

[FBIS Transcribed Text] CHISINAU, May 6 (Interfax)—There is a basis to believe that the fall in the industrial output in Moldova will stop in 1995, IMF Managing Director Michel Camdessus said in the Moldovan parliament today.

Camdessus has come to Chisinau for a two-day visit.

He said the task of the IMF and donor countries is to make this year a turning point for the Moldovan economy and to bring about its recovery.

Camdessus said the first signs of the economic recovery had appeared in the republic, namely financial stabilization and a fall in the inflation rate, less than 1 percent in March 1995.

Camdessus repeated that since early 1992 (when Moldova joined the IMF) Moldova received aid in the form of credits worth about $200 million. This year an agreement was signed on granting Moldova stand-by credits aimed at reaching financial stabilization in the republic.

Camdessus said very few ex-Soviet republics and East European countries had achieved the kind of financial stabilization Moldova had since it introduced its own national currency at the end of 1993.

At the same time, the IMF managing director said that financial stabilization could not last for long without economic growth. He said he believed that Moldova should carry out structural reforms and seek price stabilization. He said he thought that Moldova should focus on the strong aspects of its economy, namely agriculture and the manufacturing industry.

Camdessus on Assisting Development

LD0705161295 Moscow INTERFAX in English 1504 GMT 7 May 95

[FBIS Transcribed Text] CHISINAU, May 7 (Interfax) - The IMF's Managing Director Michel Camdessus told Moldovan President Mircea Snegur in Chisinau on Sunday that the IMF would assist Moldova in securing western credits for developing industry.

Camdessus also stated that in implementing the economic reform Moldova was observing all the rules set forth in the agreement with the IMF which, he said, is making the reform irreversible, and is lowering the rate of inflation and ensuring the stability of the national currency.

He said there were ample opportunities for economic rehabilitation and development in Moldova, and that the IMF supported the Moldovan economic reform.

On Sunday, Camdessus completed his two-day visit to Moldova.

Lebed: 14th Army 'Mass Discontent' Possible

AU0505130595 Chisinau INFOTAG in English 1930 GMT 4 May 95

[FBIS Transcribed Text] Chisinau INFOTAG, 4/5/1995—The commander of the Russian 14th Army, Lieutenant General Aleksandr Lebed, does not rule out a possibility of mass discontent and unrest among his servicemen in case the Russian Defense Ministry will begin implementing its initiative aimed at re-structuring the Army's headquarters.

Lebed said to INFOTAG that "the Ministry's decision is superficial, and it may cut the head off a well-built body, which is fraught with serious consequences. I am responsible for order in the Army as long as I am its commander. The Ministry bosses did not think deeply about the destiny of the Army and its servicemen. And when a mama cat leaves her kittens, they begin to think and act by themselves. It's quite difficult for me to forecast what will be the my guys' behaviour after they are 'set free,' but one thing I'm sure is that they will not allow anybody to insult them," the general emphasized.

He said, the Dniester administration forces the military to stay and serve in Tiraspol. In particular, two multistory apartment buildings have been commissioned recently specially for the 14th Army servicemen—however, with only one condition: You live in the houses as long as you serve in the Army. In case you quit, your apartment shall be returned to the local administration.

Lebed said the Russian Defense Ministry made several propositions to him concerning his further service, but he has not yet decided anything about his future occupation. The general admits he may go in for politics. For the time being, he is pondering, and intends to officially promulgate his decision after the Victory Day of May 9.

Dniester, Gagauz Leaders Meet 'Confidentially'

AU0505130395 Chisinau INFOTAG in English 1930 GMT 4 May 95

[FBIS Transcribed Text] Chisinau INFOTAG, 4/5/1995—Dniester and Gagauz leaders met here last Wednesday strictly confidentially, and no official reports were made on the issue, sources in Dniester administration said to INFOTAG.

According to the same sources, Gagauz Parliament Chairman Mikhail Kendigelean and "defense minister" Ivan Burgujy met with the president of the self-proclaimed Dniester republic, Igor Smirnov, and with deputy prime minister Victor Sinev.

The parties discussed mainly the problems of economic cooperation between the two territories, and tackled the socio-political situation in the region.

Meanwhile, Gagauz opposition sources have reported that the trip to Tiraspol was undertaken by Comrat leaders in connection with the forthcoming elections of the Bashkan and to the Popular Assembly.

In their opinion, the current Gagauz leaders, whose chances to remain at power are minimal, are trying to enlist support of Tiraspol and to struggle for power with its assistance. In case they lose the elections, they will try once more to destabilize the situation in the south, the opposition said.

New Data on Ilascu's Alleged Terrorist Activity

AU0705184795 Chisinau BASAPRESS in English 2020 GMT 5 May 95

[FBIS Transcribed Text] Tiraspol, BASAPRESS, 5/5/1995—New materials on Ilie Ilascu's alleged terrorist activity are being heavily spread in the so-called Moldovan Dniester republic, which suggest a change of attitude after Dniester officials' conciliating statements at the beginning of 1995. Yesterday, the Tiraspol official news agency "Olvia-press" released a long article on Ilie Ilascu, condemned to death on September 9, 1993 by the Dniester unconstitutional authorities. According to the agency, "none of the terrorists across the world enjoyed so much attention from the international public opinion and organizations." The agency relayed that after the January 16, 1995 meeting between Moldovan Vice Premier Valentin Cunev with Ilascu at Hlinaia prison, other details on "Bujor" terrorist group were cleared up. Allegedly, Ilascu made responsible President Snegur and Moldovan Security for setting up over 30 terrorist organizations in Dniester. The agency reported that Ilascu admitted to have brought explosives from Romania to blow up the Soviets House in Tiraspol and oil depository near Blijni Hutor, but all the plans were canceled. Previously, Tiraspol speaker Grigori Marakutsa agreed to a re-examination of the Ilascu case by a third party.

Parliament Adopts National Security Concept

LD0505154095 Moscow INTERFAX in English 1338 GMT 5 May 95

[FBIS Transcribed Text] CHISINAU, May 5 (Interfax)—"Moldova is a demilitarized state and it will not permit the deployment of foreign troops or military bases in its territory and maintains relations of friendship and partnership with all countries", says the concept of Moldova's national security [which] parliament adopted after the second reading.

The concept says that Moldova will retain the defence, national security, and interior ministries, as well as the presidential security service founded a year ago.

The Supreme Security Council at the presidential office will have the status of a consultative body.

The Moldovan parliament on Friday ratified the agreement establishing additional benefits and grants for World War II veterans, wartime veteran workers and widows of World War II soldiers on the occasion of the 50th anniversary.

Students, Cabinet Sign Strike 'Moratorium' Protocol

AU0505125595 Chisinau INFOTAG in English 1930 GMT 4 May 95

[FBIS Transcribed Text] Chisinau INFOTAG, 4/5/1995—The Republican Strike Committee and the governmental commission, established by presidential decree to consider the student strike demands, signed a conciliatory protocol today. This document has imposed a moratorium on strike and any street manifestations until September 6.

The protocol reflects all the strikers' demands and government- taken measures to satisfy them. The protocol reads, in particular, that wage arrears in the agrarian sector have been reduced from 78 to 58 million lei, and measures are being taken to repay them in other sectors of economy, too. The government has undertaken to settle all wage arrears in the republic by September 1.

The protocol mentions that things are being improved in the construction sector, the real estate tax has been reduced 5-fold, public transport privileges for students have been restored, etc.

The document indicates measures carried out in the health service sphere. The government has increased2.2-fold allocations for providing medical establishments with drugs and medical equipment, raised the financial provision of other medical needs to a level of 80-100 percent needs (in the first quarter the financing was only 56 percent), granted a 10 million lei credit to Moldovapharm Association to repay its debts and purchase medicines, and organized free or half-price issue of drugs to certain categories of citizens.

The protocol has officially registered strikers' demands which remain unfulfilled yet. The governmental commission have undertook to consider and satisfy them as possibility appears.

The committee and commission will held joint sittings regularly, and the strike will be resumed should the commission violate the fixed agreements.

Kazakhstan

Nazarbayev Leaves for VE Day Celebrations

LD0605125095 Moscow INTERFAX in English 0936 GMT 6 May 95

[FBIS Transcribed Text] Almaty, May 6 (INTERFAX)—Kazakh President Nursultan Nazarbayev flew off to London Saturday [6 May] to attend festivities marking the end of World War Two in London. Then on May 7 he will fly to Paris and will arrive in Moscow on May 8. He will attend VE day celebrations in both these cities.

In an interview with Interfax before his departure, Nazarbayev announced that in Moscow he intended to lay a wreath at the Tomb of the Unknown Soldier on behalf of all the people in Kazakhstan. "This is a token of respect to all front-line soldiers of the Great Patriotic War," he stressed. Nazarbayev will take part in an anniversary meeting on that day.

On the night of May 8, he will be back in Almaty. "On V-E Day, I must be at home with my veterans," he especially stressed.

In the morning of May 9, flowers will be laid at the eternal flame. At noon, a military parade will begin, to be followed by an anniversary meeting in the Republican Palace and a formal banquet.

INTERFAX Interviews Nazarbayev

LD0605174895 Moscow INTERFAX in English 1410 GMT 6 May 95

["Exclusive interview" with President Nursultan Nazarbayev by an unidentified INTERFAX correspondent; date and place not given—from the "Presidential Bulletin" feature; compiled by Nikolay Zherebtsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[FBIS Transcribed Text] [INTERFAX] What strategic goals in the fields of the economy and interethnic relations are you setting for the next five years?

[Nazarbayev] An absolute majority of the Kazakhs—more than 7.9 million, or 95.46 percent of those who cast their ballots in the referendum on the extension of the presidential mandate —approved my policies and gave me the green light for accelerated reforms in the political, social and economic fields. A nationwide referendum is a complicated undertaking. In it the nation scales a political obstacle so as to make progress and cope with the crisis fought, for well-known reasons, by itself and the other republics of the Commonwealth of Independent States.

I have always said the truth and refused to promise miracles on the order of those performed in the fairy tales. The people are fighting difficulties. But although future will subject us to more complicated tests, I feel that Kazakhstan stands a real chance to escape from the tight grip of the present crisis. Last year was the most difficult, it was last year that prices for bread and electricity were allowed to soar, or, in other words, the liberalization of prices began. The prices, inflation rates, indices of industrial production and other macroeconomic indices of the past 7 or 8 months prove that slowly but surely the country is entering a period of economic recovery. And this is what is happenig in the conditions of a serious and sweeping structural reform. This, along with the returns of the referendum, proves better than anything else that Kazakhstan opted for the right strategies. And, that it has to show even more resolve and determination in the efforts to follow them.

First and foremost, I aim for building a legal foundation for the reforms. Even before the referendum took place, a package of documents were signed, including the Civilian and Tax Codes, and bills on the collateral, securities. Banks, bankruptcy, etc. They are expected to work for industrial recovery and the creation of conditions for more Kazakh and foreign investment in the economy.

In response to your question I will say that the reforms are to be carried on, and their pace is to accelerate. More attention will be paid to, and more money spent on, addressed social programs.

The plans can, apparently, be realized only on the conditions of social peace, interethnic accord and national and civic stability. Let me remind you that I repeated time and again that I would allow no one to deprive the Kazakhs of those invaluable treasures.

Fate willed that almost 120 ethnic communities regard Kazakhstan as their mother-country. It is our duty to take advantage of this in the interests of our young state.

We are equally averse to plans to "oust" the undesirable elements and the happy-go-lucky attitude of those who ignore the problems of the ethnic communities today in the vain hope of resolving them tomorrow.

[INTERFAX] Once you spoke of the need for raising the status of the Russian language in Kazakhstan. What did you mean by that?

[Nazarbayev] Society faces pressing language problems. And not only problems of the Russian language which, by the way, emerges as the widest-spread in Kazakhstan. Owing to the extreme policies of the recent years the Kazakh language finds itself in a deplorable condition and calls for special protection and support now that the generation gap is threatening to grow. But, it should not be protected at the expense of other languages.

There are people who would be willing to play up the language problem for the attainment of their political ends. They do nothing for their neighbor's sake. If they did, they would consider the feelings of the 8 million Kazakhs in Kazakhstan. The tension can be eased only by way of compromise.

If both Kazakh and Russian are declared the country's state languages, it will be only logical to oblige all government employees to command both languages. The Russian-speaking community will be sure to face one more problem. Tensions will mount and people will be put at loggerheads.

The emergence of Russian as an official language of Kazakhstan may offer a solution to the problem in question. But it must be brought home to everyone that ethnic Kazakhs need to know Russian as much as anyone does. And, people may be obliged to know the state language— Kazakh— only in fifteen to twenty years from now. The fifteen to twenty years gives a margin for learning Kazakh.

I would like to remind you that, under the existing Constitution, Russian is the language for communication between the country's various ethnic communities. Kazakhstan is the only Commonwealth republic where Russian enjoys that special status. In addition, discriminatory language practices are forbidden and not a single case of infringement on the human rights of those who failed to command both Russian and Kazakh was reported over the past few years in Kazakhstan.

[INTERFAX] Why was your mandate extended till the year of 2000?

[Nazarbayev] I made no early plans for that although the national Constitution gives the President the right to call that kind of a referendum.

The Assembly of the Peoples of Kazakhstan was the first to focus on the extension of my mandate. I instructed lawyers to consider every angle of the possible extension. Different things, including the time span for the completion of the present stage of the planned reforms, were taken into consideration.

The people made no bones about their approval of the reforms and the policy of interethnic accord, stability and friendship between people. This is the policy that I pursued and intend to pursue.

[INTERFAX] What field for maneuver have you gained thanks to the referendum?

[Nazarbayev] What counts most now, is our Fundamental Law. It was adopted on a wave of euphoria and reflected an idealistic vision of society, the intention to replace totalitarianism with liberalism in a matter of seconds and the desire to best the constitutions of the model demcracies. Its attempt to reconcile the free market and egalitarian-socialist approaches is incongruous.

But two years ago, try hard as it did, it could not offer answers to many pressing questions of today. It offers no fundamental solution to the problems of the division of powers, functions of the branches of power, private property and several others. It leaves no room for a legal reform and it envisages no checks and balances system. The Kazakh Constitution calls for a fairly serious revision. Very soon a group of independent constitutional experts of the leading democracies and this republic will meet to discuss the four-month collection of suggestions for constitutional amendments. In June the constitutional experts will address a big conference on constitutional reform and, sometime toward August, Kazakhstan may be expected to hold a constitutional referendum.

Once the Constitution wins popular approval, the electoral law will have to be adjusted against it and new parliamentary elections will have to be held, also this year.

[INTERFAX] Will the country's domestic and foreign strategies undergo change? Will you set the same priorities in relations with the Commonwealth of Independent States, including Russia, and other countries?

[Nazarbayev] Once again, the returns of the referendum spell out approval and support of our policies, and give us no right to revise these. It is true that some political leaders make strikingly different statements and moves before and after elections. I am not going to follow their example. My views are well known both inside and outside Kazakhstan. Now that the referendum has taken place, I keep saying that I put peace between the ethnic communities, integration, the independence of Kazakhstan and the reforms above everything else.

[INTERFAX] How are you planning to promote relations with the new parliament, once it has been elected? Will the legislative and executive branches of power be expected to fight different sets of odds?

[Nazarbayev] Strictly speaking, the two branches of power cannot be the same because their functions are totally different. It is in society's interests to act to avert conflicts between them and fighting over their spheres of influence and their interests. In my view, these problems must be resolved in the context of the constitutional reform that provides for the most effective interaction and a degree of competition between the legislative, executive and judiciary branches of power. The head of state must act as a moderator in relations between the branches of power.

I am sure that all problems, including those of the institutionalization, are transitory. So, the provision of the political and economic reforms with a legal foundation and full respect of law feature as our main goals.

World Bank Supports Kazakh Reforms

LD0505165895 Almaty Kazakh Television First Program Network in Russian 1400 GMT 5 May 95

[FBIS Translated Text] Prime Minister Akezhan Qazhygeldin has received a telegram from the World Bank. In it, Yu Kong Khuang [name as heard] director of the third department for the countries of Europe and Central Asia expressed support for the program of reforms being implemented by our republic's government and, in particular, the improvement in the investment climate for attracting foreign investments, the introduction of legislative and institutional innovations in the sphere of housing construction, insurance, and medical services, and the study of alternative educational systems adaptable to our country.

The telegram also notes the progress that the republic has made in the field of strengthening institutional structures for coordinating and managing external aid. This will undoubtedly be of significant interest for Kazakhstan's donors at the meeting of their consultative group in Paris scheduled for next month.

Yu Kong Khuang assured the head of government that in the case of the timely fulfillment of the terms agreed and the submission of the necessary documentation, the whole volume of the loan allocated to the republic for supporting structural reforms could possibly be utilized by the end of 1995.

President Calls For Referendum on New Constitution

LD0505134095 Moscow ITAR-TASS in English 1250 GMT 5 May 95

[By Gennadiy Lunyov]

[FBIS Transcribed Text] ALMATY, May 5 (Itar-Tass)—President Nursultan Nazarbayev of Kazakhstan today announced that he wants the country to hold a referendum on its new constitution in August. The new constitution will furnish the basis on which to hold elections to the parliament of Kazakhstan, he said.

Nazarbayev was speaking at a ceremony of receiving the Central Electoral Commission's certificate concerning the extension of his presidential powers until December 1, 2000.

The President said that in the next few days he would form an authoritative commission of experienced jurists to prepare a new edition of the country's Fundamental Law.

President Nazarbayev also plans having international experts assess the new constitution. Thereafter, it will be submitted for nationwide discussion not later than in July ahead of the referendum in August.

Nazarbayev said changes would be made to the Law on elections, which would avert mistakes of the kind made during the last elections.

As is known, certain flaws in the extant law made possible violations of the rights of both the candidates and the voters. When this became known, the Constitutional Court of Kazakhstan declared the elections invalid 12 months after they were held, and the country's parliament was subsequently dissolved in March 1995. On April 29, 1995 Kazakhstan held a referendum in which the voters okayed the prolongation of Nursultan Nazarbayev's presidential powers for another four years.

Central Election Commission Gives Referendum Results

LD0405115795 Moscow INTERFAX in English 1115 GMT 4 May 95

[FBIS Transcribed Text] ALMATY, May 4 (Interfax)—A total of 95.46 percent of Kazakhstan's citizens who participated in the referendum on April 29 voted for prolongation of Kazakh President Nursultan Nazarbayev's authorities up to 2000.

The republic's Central election commission reported to Interfax Thursday [4 May] that 91.21 percent of Kazakhstan's electors took part in the vote in accordance with final results of the referendum, the vote was held in all 10,194 electoral districts.

As many as 3.76 percent of the electors were against prolongation of Nazarbayev's authorities.

A total of 0.8 percent of ballot-papers were recognized invalid.

"Consequently, a representative of the Central election commission underlined, Kazakhstan's people have prolonged the term of authorities of President Nursultan Nazarbayev up to December 1, 2000."

It is expected that Nazarbayev will receive the certificate on prolongation of his authorities on May 5. The same day the Central election commission plans to hold a press conference for journalists on the results of the referendum.

Zatulin: Presidential Referendum Results 'Dubious'

LD0405162495 Moscow Radiostantsiya Ekho Moskvy in Russian 1300 GMT 4 May 95

[FBIS Translated Text] The results of the referendum held in Kazakhstan on 29 April on extending President Nazarbayev's powers are dubious, Konstantin Zatulin, chairman of the State Duma Committee for CIS Affairs, stated. He explained that he said this because the referendum took place without any international or internal monitoring.

Tajikistan

Talks Held With Iranian Deputy Foreign Minister

Calls U.S. Sanctions 'Bad Failure'

LD0705215795 Tehran IRNA in English 2132 GMT 7 May 95

[FBIS Transcribed Text] Dushanbe, May 7, IRNA—Iran's deputy foreign minister for Euro-American affairs, Mahmud Va'ezi, said here Saturday [6 May] that in view of the refusal of the European Union to heed Washington's economic sanctions against Iran the device had been a bad failure.

He said the sanctions would only adversely affect American corporations, and would evnetually help Iran in an exercize of self-reliance and self-sufficiency.

Asked to comment on Washington's feelings about nuclear cooperation between Tehran and Moscow he said he was confident that Russia was an independent nation more concegned about its own interests than about what was dictated by Washington.

The Iranian official said Iran and Tajikistan had excellent outlooks in their future relations.

Talks on Promoting Economic Ties

LD0705230195 Tehran IRNA in English 2222 GMT 7 May 95

[FBIS Transcribed Text] Dusahnbe, May 7, IRNA—Iran's Deputy Foreign Minister for Euro-American Affairs, Mahmud Va'ezi here on Sunday [7 May] held talks with Tajik Minister of Foreign Trade, Takht-e-Bay Ghafarev and Minister of Commerce, Abdulhakim Salehev on boosting economic relations between the two countries.

They reached agreement on setting up a joint chamber of commerce and trade center as well as joint economic commission.

The two sides stressed the need for setting up an airlink between Iran and Tajikistan. They also discussed exchange of experts and surface transit cooperation.

Va'ezi said despite the vast potential for economic cooperation between Iran and Tajikistan, there was no progress so far.

Tajik ministers of economy, commerce, industry and agriculture are expected to visit Tehran to discuss bilateral cooperation with their Iranian counterparts.

Tajikistan with a 5.5 million population, promises to be a good market in central Asia for Iranian commodities.

Holds News Conference

LD0605191895 Moscow INTERFAX in English 1711 GMT 6 May 95

[FBIS Transcribed Text] DUSHANBE, May 6 (Interfax)—Iranian Deputy Foreign Minister Mahmud Vayazi said he hoped that the meeting between Tajik President Emomali Rakhmanov and Tajik opposition leader Said Abdullo Nuri, slated to take place in the next few days, would be an important contribution to reaching positive agreements on settlement in Tajikistan.

The Iranian official spoke at a press conference on the results of his talks with the Tajik president in Dushanbe today.

The Iranian deputy foreign minister told an Interfax correspondent at the press conference that Iran had acted as the mediator for achieving a peace-political dialogue between the conflicting parties in Tajikistan.

He said Tehran was interested in the Caucasus and Middle Asia overcoming political and economic crisis. He said preconditions had recently appeared for fruitful cooperation between Iran and Russia for resolving the region's problems. He said the Tehran agreement between the Tajik conflicting parties on ceasing fire in Tajikistan and on the Tajik-Afghan border was one of the most important agreements achieved.

Iran is ready, along with Russia, to take all possible measures for easing tension on the Tajik-Afghan border peacefully, without using military force, said Vayazi.

Official to Visit Tajik Opposition

LD0805102295 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 8 May 95

[FBIS Translated Excerpt] Last week, at the end of the week to be precise, Mahmud Va'ezi, deputy foreign minister of the Islamic Republic of Iran, visited Tajikistan. In his interview with journalists, he said that the goal of this visit was to promote meeting between high-ranking leaders of the two sides in Tajikistan as soon as possible.

Mahmud Va'ezi said that the Islamic Republic of Iran will continue its mediation in this direction as before, and he is optimistic about the process of national reconciliation in Tajikistan.

Mahmud Va'ezi mentioned that he had a meeting with Emomali Rakhmanov and understood his point of view. He also said that he will send his representative, who is visiting Dushanbe with Va'ezi, to meet with Sayed Abdullo Nuri, leader of the Islamic Movement of Tajikistan, so that they can take into account the point of view of Tajikistan's opposition too. [passage omitted]

Afghan President Proposes Inter-Tajik Meeting

LD0505170495 Moscow INTERFAX in English 1518 GMT 5 May 95

[FBIS Transcribed Text] DUSHANBE, May 5 (Interfax)—Afghan President Borhanoddin Rabbani proposed to Tajikistan's President Emomali Rakhmanov to hold a meeting with the leader of the Islamic Rebirth Movement of Tajikistan, Sa'id Abdullo Nuri, in Kabul on May 15.

On May 5 the Afghan Embassy in Dushanbe handed over an official invitation to Tajikistan's Foreign Ministry, said head of the ministry's information department Zafar Saidov.

In his words, this proposal is being examined.

Russian Commander Cited on Military Unity

LD0505151895 Dushanbe Radio Tajikistan Network in Russian 1000 GMT 5 May 95

[FBIS Translated Text] Col-Gen Valeriy Anisimovich Patrikeyev commander of the Collective Peacekeeping Forces in Tajikistan, spoke to our correspondent about the tasks of the CIS Collective Peacekeeping Forces in Tajikistan:

[Begin Patrikeyev recording] The situation in the Republic of Tajikistan remains complex and contradictory. Despite the agreement on a temporary cease-fire and the cessation of other hostilities on the Tajik-Afghan border and inside the Republic of Tajikistan, the border provocations have not stopped in practice, and are not stopping.

Going against common sense, the opposition leaders have unfortunately not abandoned armed struggle as the means of achieving their political aims. Under these conditions one of the main assignments of the Collective Peacekeeping Forces is to contribute to getting the situation on the Tajik-Afghan border back to normal in the interests of stabilizing the general situation on the border and within the Republic of Tajikistan, and to the creation of conditions for the progress of dialogue between all interested sides on the ways to a political settlement of the conflict.

Force is no argument. You will get nothing good out of armed methods. It is a dead end. That is my conviction. The only way is to end this fratricidal war at the negotiating table. But I should emphasize that the Collective Peacekeeping Forces have always given and will continue to give assistance to the Russian Border Troops in defending the southern borders of the CIS. We do not conceal the fact that one of our assignments is to provide deep-formation support for the Russian Border Troops.

I am therefore sometimes surprised by media reports that the Border Troops alone are carrying out all the assignments. There is not a word about the fact that they are carrying out these assignments in conjunction with units of the 201st [Russian Motorized Rifle] Division, which is included within the Collective Peacekeeping Forces.

That is the objective reality. Why don't they talk about it? I don't understand. Public opinion seems to be asking what the Collective Peacekeeping Forces are doing in the Republic of Tajikistan. They are honestly and conscientiously fulfilling their duty to stabilize the situation in the republic. [end recording]

'Conspiratorial Terrorist Group' Arrested

LD0605105895 Moscow ITAR-TASS in English 1003 GMT 6 May 95

[By Galina Gridneva]

[FBIS Transcribed Text] Dushanbe, May 6 (ITAR-TASS)—Tajik security services a few days ago arretsed a conspiratorial terrorist group which was active in Dushanbe for over a year, ITAR-TASS was told today by well-informed military sources.

The group is suspected of terrorist actions against Tajikistan- sationed CIS peacekeeping forces, including slayings of two servicemen of the Russian 201st Motorised Infantry Division last year.

The sources said the group was involved in the shelling of a bus of Russian border troops on February 23 this year. Two nurses of a military hospital were killed in that assault.

Four grenade launchers, two automatic guns with mufflers, explosive devices and abundant ammunition were seized during the arrest of the group at its base.

Two Tajik suspects were arrested on May 3 by Kazakh and Tajik security services in the capital of Kazakhstan Almaty.

All members of the group had been trained in special camps based in Afghanistan and Arab states.

Their terrorist actions had been designed by Tajik opposition leaders. One of them is Rizvon Sadirov, a so-called defence minister of self-proclaimed outgoing government.

The actions sought to cause instability and instil fear in the population.

The military sources said several saboteur eight- to 15-member groups remain active in Dushanbe.

'Text' of Rakhmanov's National Currency Address

LD0705143895 Dushanbe Radio Tajikistan Network in Tajik 0800 GMT 7 May 95

[FBIS Translated Text] Dear listeners, this is the text of an address on the introduction of the national currency by Tajik President Emomali Rakhmanov.

Dear compatriots! In my address to you at the end of December last year, I explained my views on the need to introduce a national currency in the republic. This issue received practical exposition at the first session of the Supreme Council. I have signed a government resolution to introduce the national currency, the Tajik ruble, by 10 May this year. This responsible step will be carried out through detailed preparations and with the advice and assistance of the International Monetary Fund.

Of course, introducing the national currency will not immediately solve all of the problems in the republic. First, it is necessary to approve a practical program of economic development in the republic, and to realize it phase by phase, in order to bring the republic out of crisis. A program of this kind has been drafted and is now being studied by the republic's eminent experts and specialists in various branches of the economy of the republic, and by representatives of the IMF and World Bank missions.

After the program has been considered by international financial and crediting organizations and the relevant work has been done, the program will be considered at the Economic Inter-Sectoral Council of the president of the republic, and will be submitted to me for approval.

The government has taken into account the most urgent issues of the day, meaning the elimination of shortcomings in the budget, accelerating denationalization, freeing prices, and foreign economic activity on the one hand; and, on the other hand, it has drafted measures of social protection for the population and support for its most needy part, with all the delicateness this requires, and will make efforts to resolve all these issues.

Introducing the national currency, that is, the Tajik ruble, will create a new monetary system in the republic, and it will have to resolve the issues of cash circulation inside and outside the republic satisfactorily. It will also have to remove current differences between cash and noncash money, and assist the credit sources of the banks to obtain the needed currency and attain solvency.

Apart from this, introducing the national currency also has great political significance, because money is one of the main elements in the state's independence. All measures are being taken to make the Tajik currency a reliable means of improving the social and economic situation, to become a stable currency to stand alongside foreign currencies. I believe that introducing the national currency will help bring the republic out of its profound economic crisis, ensure a tranquil life, and mobilize the people of Tajikistan to productive labor.

Uzbekistan

Defense Minister Urges 'Joint Efforts' by CIS States

MM0505154495 Moscow KRASNAYA ZVEZDA in Russian 4 May 95 p 3

[Article by Lieutenant General Rustam Akhmedov, defense minister of the Republic of Uzbekistan, under the general heading "Victory—Our Common Destiny, Our Common Memory, Pride, and Glory"]

[FBIS Translated Excerpt] [passage omitted] The instability in the world, the complex sociopolitical processes in the Central Asia region, and the attempts by certain forces to draw Uzbekistan into their sphere of influence compel us to adopt effective measures to ensure national security, the most important guarantee of which is the Republic of Uzbekistan's military doctrine and its Armed Forces. The existing legal base (the Constitution and the laws "On Defense" and "On Universal Military Obligation and Military Service") enable us to systematically resolve the complex questions of military organizational development.

The first stage of the establishment and reform of the Armed Forces began in 1994 during which the transition was made to a new organizational-staff structure and organs of management were created along with a system for the training and education of personnel and the preparation of military cadres. In stage two of the military reform a small, mobile, well-equipped, and well-trained army will be set up capable of reliably ensuring the protection of our borders.

We are also paying close attention to questions of creating the CIS collective security system. Uzbekistan will pursue an active policy aimed at strengthening and expanding military cooperation with the CIS member states, above all with the Russian Federation. While remaining loyal to the accords which have been concluded, Uzbekistan is carrying out a peace-making mission to stabilize the situation in Tajikistan and end the civil war there. We consistently advocate the creation of a common air defense system and are ready to support all initiatives and proposals aimed at strengthening CIS collective security. We are compelled to do that by the lessons of World War II, which confirmed that peace can only be ensured by joint efforts.

Karimov, IMF Head Hold News Conference

LD0505201795 Tashkent Uzbekistan Television in Russian 1640 GMT 4 May 95

[News conference by President Islam Karimov and IMF Managing Director Michel Camdessus with foreign and domestic correspondents in Tashkent on 3 May; Camdessus speaks in English with superimposed Russian translation—recorded]

[FBIS Translated Excerpt] [Karimov] [passage omitted] Now I agree with the remarks made by the IMF and Mr. Camdessus on sensitive points in the implementation of reforms in Uzbekistan. I have to say that in our own estimation and that of the IMF, these sensitive points are rather significant. We understand that the intensity of reforms and their consistency do not fully meet the demands of the IMF. On 25 January 1995 the Executive Board of the IMF approved the Systemic Transformational Program and the macroeconomic stability program, which was adopted by the Government of Uzbekistan for 1995. Now, in May, we can sum up what we have done in order to carry out this joint program approved by the IMF. To our common satisfaction I have to say—and by the way Mr. Camdessus also emphasized this—that we have implemented many points of the program. But as Mr. Camdessus noted, we are focusing our attention on issues such as inflation, how to bring down inflation, as well as financial and economic stability.

We are not at all content with inflation in Uzbekistan, which reached 7.8 percent in March. We are aware that we cannot achieve anything great while the rate of inflation is so high. Financial stability, that is to say bringing down inflation to two percent by the end of this year—which we have already spoken about—is just what makes it possible not only to stabilize the financial sector and the economy but also, first of all, to help the people to raise their living standards.

I would like to reiterate what Mr. Camdessus said today. He warned us that the most difficult period for us would be the first half of 1995 when it would be hard to resist the temptation to raise salaries to tackle social problems and many others, which at first sight may look like a helpful move. But today Mr. Camdessus put forward a very important idea, that if we raise salaries and tackle the various problems by increasing state expenditure, which at first sight may seem helpful for people, it will actually harm the people, because then we will have to shelve the task of stabilizing the population's standard of living. Therefore, if we want to help the people and to raise their living standards we have to bring inflation down. I have no doubt about that any more.

Many other issues were also discussed. We agreed to the suggestion that the Ministry of Finance should hand over our consolidated gold and foreign currency reserves to the Central Bank. It was noted that there was a need to pursue a strict financial policy, to reduce state expenditure, and above all to keep to those plans for giving credits, for investing, and for other issues of the financial and economic policy for 1995.

Again I would like to say that this visit by Mr. Camdessus to Uzbekistan is a great event in the life of Uzbekistan. Today we were once again convinced that we would achieve those strategic goals we set for ourselves only by cooperating with the IMF. [passage omitted]

[Announcer] Later, President Karimov and IMF Managing Director Camdessus answered journalists' questions.

[Ganiyeva, from the Russian TV "Vremya" program] Mr. Camdessus, how do you assess the investment climate in Uzbekistan? What will be the sum, the final sum, of IMF credits to Uzbekistan this year and next under the new standby system? Thank you.

Also, a question to the Uzbek president. What will the Uzbek Government do to bring inflation down to two percent by the end of the year, as you have already said? Thank you.

[Announcer] Answering the Russian correspondent's questions, Camdessus noted in particular:

[Camdessus] Regarding the investment climate in Uzbekistan I must say that it has changed considerably for the better as compared to previous years. This was confirmed at the Paris meeting of the consultative group in March last year. The meeting expressed satisfaction with the course of the economic stabilization processes in Uzbekistan and also expressed support for the government's efforts aimed at deepening the reforms and creating a favorable climate for foreign investments, which opens your country to the whole world.

At this meeting it was announced that up to $900 million of assistance would be extended to Uzbekistan from the IMF. I believe that the reforms are directed toward stabilization of the economic situation in Uzbekistan. This will also be linked with the inflow of investment funds. I am sure that if your country succeeds in fighting inflation you will experience a great inflow of investments.

The first credit has been allocated in the sum of over $70 million. This is only the initial stage. If we manage to coordinate the program of further cooperation in the future then the next credit will be four times as much as the above-mentioned sum. This of course also depends on the requirements of the country. These are prospects. However, I am sure that the forms of cooperation that are being implemented today will most likely have an effect on the economy of Uzbekistan.

[Karimov] I will answer the question I was asked about inflation. In January, inflation in Uzbekistan totalled 16 percent and in March it was 7.8 percent. In April we expect the rate of inflation to be around six or seven percent. According to estimates, by the middle of the year inflation here should drop to four or five percent, and by the end of the year to two percent, as I said before.

The high rate of inflation in January can be explained by several factors, but the main factor, above all, is the liberalization of prices for energy resources. In January-February, prices for energy resources, petroleum products, gas fuel were liberalized in Uzbekistan. Thus, in general terms, this is the problem that is set before Uzbekistan and which has been coordinated with the IMF: We must go forward and raise internal prices to world prices. This task must be solved without fail. We cannot solve all the problems completely without this. So, this high rate of inflation in the first quarter is explained primarily by the liberalization of prices for petroleum products.

At the expense of what factors, and based on what mechanisms do we want to cut inflation and to secure its reduction to two percent by the end of the year? First of all the main, principal task is to implement a strict financial policy and a sharp reduction of state expenditures. We must abandon the state expenditures we can do without today. I must, of course, say that this does not mean that we will abandon the strong social policy we are implementing, the support for the most vulnerable sectors of the population. But theoretically, we have expenses that we can abandon today.

The second issue in the problem for us is the sharp reduction of credit emission. We should review the problem, and abandon state credits to enterprises that sometimes—or most often—are today conducting a policy of dependence. I reiterate, we must in principle separate the economy of enterprise from the economy of the state, finances of enterprises must be separated from state finances and we must observe a policy of restrictions in the issue of credit policy. Mr. Camdessus quite rightly raises the issue today of the fact that state intervention, the participation of the state proper in many projects must be reviewed. The economy must move out of state control, the economy must go forward according to its own laws and move, above all, based on today's requirements, which are being put objectively before the development of the market economy. Enterprises must work within the limits of the resources they earn and this must become the law for every enterprise.

The third, very important factor is the implementation of a strict policy in money emission. I reiterate again, the issue of the restriction and maximum curtailment of emission is a very painful problem but we have to do it. The less credit and cash funds circulate in our economy, the faster we will stabilize our economy and the faster we will reduce inflation.

Once again, I tell you, people's mentality must be changed. Some people think that if their salaries, pensions, and benefits are increased quickly then we are helping people by this. In reality we are harming people and doing them a disservice, those whom we deceive by this increase of benefits, salaries, and so on.

At the same time, prices are being increased automatically and a vicious circle is being created, which is very difficult to escape from. So, we could get into a spiral of hyperinflation, from which it will be difficult to extricate ourselves later. We must all understand this. It is elementary: To go through one year and restrict ourselves in everything and later, starting from 1996, we can work calmly in a completely new order.

Sometimes cheap populists and some politicians cite IMF pressure, saying that it is only under IMF pressure, in general, that restrictions in salaries, pensions, and benefits take place, and only under IMF pressure, we have to worsen, to create the conditions, which worsen the population's standard of living. I think this is mere populism. I think it is demagogy that is sometimes used with a view to earning cheap authority. I can declare authoritatively today that Uzbekistan has never given way to any external pressure. But today we speak with full awareness of the fact that we really do want to suppress inflation and we must restrict our needs for a time. This law must be a program for 1995 for us. I think Mr. Camdessus entirely agrees with my conclusions. [passage omitted]

[Tamara Solomatina, Uzbek TV] A question to Mr. Camdessus. Can you tell me in detail what circumstances and conditions are necessary for extending future credits? Do you consider the economic potential sufficient for building a developed state? [passage omitted]

[Camdessus] The head of the IMF noted the fact that Uzbekistan has high economic potential. Here we have an industrious people and rich raw materials, and the main thing is our national traditions and heritage. If these reforms are given consistent development then Uzbekistan will achieve great results and will be among the developed countries of the world.

As for future credits, it will depend also on the country's requirements. You will have to cut inflation down to two percent. But that is not enough: You will have to overcome quite a few difficulties during the period of developing market relations. All market mechanisms are not yet up and running well. In these conditions, it is necessary to toughen up monetary and credit policy and implement budget policy effectively. Much is to be done in the foreign trade sphere.

But I can say with certainty that the foundations have already been laid. This is the basis of the coordination of our efforts for promoting mutual cooperation. [passage omitted]

[(Announcer] Alan Johnston, BBC World Service correspondent asked President Karimov: Foreign investors come up against bureaucracy and corruption among officials. Do you regard this as a threat to the influx of foreign investment?

[Karimov] The question you are asking is about a disease suffered by most, if not all states in the post-Soviet region. I will explain why.

As long as state property exists corruption will exist. As long as state property is managed by bureaucrats there will be theft and corruption.

The second point is that the laws that used to govern us have lost their force, but the new laws and new control systems, and the things that actually create laws and systems, have not yet fully come into force.

So I do understand your question correctly, and I think it is a question that applies not just to me but to all the structures functioning in Uzbekistan.

Private owners, the entrepreneurs, must become the owners of property as soon as possible, and we must privatize these enterprises quickly. We will then eliminate a whole class of bureaucrats who are currently taking bribes and holding up the development process of the market economy.

Today I would like to put a question to you. Why do you think I meet major firms, the heads of major firms who come to Uzbekistan so often? I am always open to them. Why is that? Because I would like to tackle the problems that we still have on my own level, so as to sideline the bureaucratic apparatus and tackle all these problems in the swiftest and most direct manner possible. When we have a system there will be no need for the president of Uzbekistan to meet the heads of firms. Everything will be done through those channels that are really quite normal for any civilized country.

As you can see, I am not justifying myself; I am simply explaining the situation that applies in Uzbekistan today, in the transitional phase, just as it does in other countries that are going through this transitional period. [passage omitted]

[Announcer] Foreign journalists were interested in various foreign policy matters, specifically in how the American embargo against Iran might affect Uzbekistan.

[Karimov] I can give a very short answer. The American embargo against Iran in no way affects Uzbekistan, Uzbekistan's position.

[Announcer] The IMF head is in Uzbekistan for the first time. [passage omitted]

Karimov 5 May Supreme Assembly Address

LD0605083595 Tashkent Radio Tashkent Network in Uzbek 0630 GMT 5 May 95

[Address by President Islam Karimov at the second session of the Supreme Assembly held in Tashkent on 5 May—recorded]

[FBIS Translated Excerpt] Good morning, dear deputies, friends and brothers. First, I am very pleased to meet you and see you cheerful in the springtime, a beautiful time. In general, if our people are in buoyant spirits as they tackle the major problems facing Uzbekistan, our people and society today, and if the deputies empowered by our people are in buoyant mood, I think it will be no exaggeration to say that this will be of the greatest help in resolving issues and problems, and a good assistance which will give us strength. This is why Uzbeks have a saying that when starting a great task one should be in a good mood; and there is a proverb which says that good intentions are half one's wealth.

From this point of view, as president, I am very much pleased with the good spirits of the deputies who were elected recently and who began work today; or rather yesterday. I want to say to you that I am ready to work with you in this mood. [passage omitted]

Dear deputies. Now I would like to say a few words about the outcome of the referendum, its results.

What did the nationwide ballot and national debate, which were held for the first time in our history, show? First and foremost, the referendum again reaffirmed the lofty characteristics such as big-heartedness and generosity, which run deep in our people's veins and blood; it confirmed our people's great faith and intelligence. Since our people's original blood and roots are strong, their spiritual and moral togetherness, close friendship, kindness and greatness were demonstrated once again.

At the same time the referendum showed our citizens' faith in the policy being pursued and the course we have chosen. It was an expression of the fact that our people, who have experienced the greatest hardships, shortcomings and trials since the start, are enduring the difficulties with fortitude, and living in hope and belief in the future. The fact that over 99 percent of our electorate took part in the referendum and gave a positive answer to the question cannot be explained otherwise. My opinion is that the roots of this lie in ourselves, in the noble virtues of our people, in our people's nobility.

I want to repeat that the question was not about me personally. I am certain that if someone else was leader in my place, if he was in charge of the policy which is being pursued in our Uzbekistan today, if he was on these terms with the people and devoted his heart and life to them, then he, too, would have garnered the same faith and respect.

I personally regard the referendum result as the reply to those modest services which I have rendered my people. I would like to say with profound pleasure that while some deserve respect and attention in this world, I am someone who wishes his people happiness and success day and night, and expresses infinite gratitude to God.

Dear friends and brothers. I know very well that the great vote of confidence which was given me was not a gift for me. It is above all a great responsibility, a weighty obligation and a glorious power. The referendum results are a sign that the political mandate has been confirmed because of the correctness of our chosen course of deepening and concluding radical changes in the country, as it builds a democratic state. Every one of us must certainly understand this well.

There are quite a few people who look with askance at the referendum results. Certain political groups and circles, who could never attain such days or results, are trying to deprecate both its political and moral importance. Our bitter enemies, who watch our independence with envious eyes, are employing various tricks and methods in an attempt to belittle the results of the referendum and cast doubt on it.

In this context I think that it would make sense to express another view. The point is that the referendum results undoubtedly discouraged and wrecked the hopes of certain careerist and power-hungry people who see themselves as leaders.

Dear friends, as we speak about the conclusions of the referendum, the paramount conclusion is that we must truly cherish and be aware of the preconditions for peaceful and tranquil work which have now taken shape in our country. Relying on the referendum results, I think we must again conduct a critical analysis of our current policy and work out programs which will help speed up the attainment of the goals that face us, above all, those aimed at improving the lot of our people.

A new time is approaching in the social life of our country. The new parliament—the Supreme Assembly—created on a multiparty basis, is functioning. The parties, which represent the interests of various strata of society, are beginning gradually to understand themselves and to gather fresh energy. They are trying to bring their programs to the people's notice, and to gain political experience through having strengthened their ranks. I think that these are also new facets and pages in Uzbekistan's life.

In such conditions, determining the aspects of elements to unify all the forces fighting with trust and firmness for our country's destiny and future—it does not matter which party or force they support—elements to reach these goals require enormous attention. In my opinion, this task is one of the most topical and important tasks of the present day. In fact, dear friends, we can express in simple words the ideas uniting and uplifting our people, and leading them to great goals.

They include, first, liberation from the desire for false reputations, kinships, factionalism, regionalism, string-pulling and rapacity. Let us accumulate all the powers, energies and intellect given to us by Allah to maintain the peace, stability and tranquillity of our country. Let us struggle to consolidate our independence and statehood, to carry out gradual economic projects and the free market economy. Let us create the conditions for human rights and liberty, happy lives for the people, and comfort in each family. Let us surrender ourselves to consolidating our future, the stability of our state and homeland, and its security.

Tell me, dear friends, fellow countrymen, what would anyone who lives in our country, whoever he is, who grew up in it, drank its waters, ate its bread and tasted its salt, a patriot, want more than these sacred goals?

Dear people's deputies, many countries of the world, as well as international, economic and financial organizations, are giving specific help to our country. They are looking at the positive changes, both economic and political reforms, taking place in our country with enormous interest and trust.

In order further to reinforce, further develop respect for our state, for our society, there is one more serious issue, and in solving it positively, I personally, dear deputies, want to ask your help, i.e., I ask you to approve the results of the referendum on extending presidential powers from 1997 until the year 2000, which was supported by all our people, as the second term of the presidency.

Of course you are informed on this suggestion. If we positively resolve this question, we all should understand it correctly; such a resolution would be a clear confirmation that our Uzbekistan is making bold steps along the road of democracy and continuing respected democratic norms. Such a resolution could definitely serve further to increase Uzbekistan's authority and capability. I once more want to draw your attention, deputies, to this question, and I ask you to support my suggestion.

Dear citizens, imagine our fatherland Turkistan tobe a big house, a big household, a big family. The closer the members of this family are to each other, and the more accord there is between them, the more prosperity there will be in their household. This boils down, as I see it, to the most vital issue today, that is, the creation in the Central Asian region of a single zone of economic, spiritual, and if necessary, political unity. [passage omitted]

I have not the slightest doubt that all our peoples will support the slogan of a single Turkistan. Life itself tells us this, and it should be clear to us all. Thousands of people who cherish peace in the Central Asian region, stability and its future development, will certainly welcome this idea whole-heartedly.

I would like to say one more thing—I do not know if it necessary to broadcast this on television or not—but if I do not open my heart to you on this matter I will not be at peace. Be clear about this: Uzbekistan is struggling and working for its future, and suffering many difficulties if necessary. All of us have much experience of this, and we are all aware of this. But be clear that, if Uzbekistan does not regard its neighboring countries in the region, which is called Turkistan, with the same eye, if we do not concern ourselves about peace among our neighbors, if we do not assist them and do not contribute to defending them when it is necessary, then Uzbekistan's security will be in great danger.

There are people who understand this, but there are also people who are far from understanding it. When we lived in Uzbekistan at the times of the former USSR, we were under a kind of shield, we were under protection. When the Soviet Union disintegrated, it looked as if a vacuum had appeared on the territory of the Central Asian region. At that time, when we had hardly freed ourselves from one big brother, others started to act as if to occupy the big brother vacancy. I sense it personally; I don't know about others, whether they sense it or not. If they conquer us, they will conquer us one by one. If we are united, like a fist, then can any force conquer us?

Just think how rich this region is: Central Asia, its potential, both economic and spiritual. We have a 1,000-year history, culture and morality. We have faith and will in our blood from our forefathers. If we all stand as one, then others will speak to us quite differently. And the words "big brother" will disappear completely. Countries will treat us equally and respect us, and the whole world will come to our home. If we achieve our aim, then we will not be afraid of any danger, and will be free of it.

This matter is of great concern to me; day and night I think about it. The economy of course is the economy, but security is one of the biggest problems of the current day. [passage omitted]

I hope that, if we could create such a public movement which would work for integration and unification of the regional countries, where representatives of Kazakhstan, Kyrgyzstan, Turkmenistan, Tajikistan and Uzbekistan, irrespective of their social origin ready to struggle for our fraternal peoples' unification, then this would be most welcome. It would be appropriate to call the movement "Turkistan is Our Common Home." [applause] Indeed it is our common home. It is time to say this openly. How long are we going to keep silent, to be afraid of someone, of a big brother; how long? [passage omitted]

President Karimov Approves New Cabinet

LD0605103795 Tashkent KHALQ SOZI in Uzbek 6 May 95 p1

[FBIS Translated Text]

Resolution of the Supreme Assembly of the Republic of Uzbekistan Approving the Decree of the President of the Republic of Uzbekistan on the Membership of the Cabinet of Ministers of the Republic of Uzbekistan

The Supreme Assembly of the Republic of Uzbekistan resolves:

1. The application submitted by Prime Minister Abdulhoshim Mutalov of the Republic of Uzbekistan on the Cabinet of Ministers resigning its powers to the Supreme Assembly in line with Article 98 of the Constitution of the Republic of Uzbekistan is to be met.

2. The decree by the president of the Republic of Uzbekistan issued on 26 April 1995 on the Membership of the Cabinet of Ministers of the Republic of Uzbekistan is to be approved.

Erkin Khalilov, chairman of the Supreme Assembly of the Republic of Uzbekistan

Tashkent, 5 May 1995

Decree by the President of the Republic of Uzbekistan on the Composition of the Cabinet of Ministers of the Republic of Uzbekistan

In view of the fact that the Cabinet of Ministers has resigned its powers to the Supreme Assembly in line with Article 98 of the Constitution of the Republic of Uzbekistan, the composition of the Cabinet of Ministers is to be formed as follows:
Abdulhoshim Mutalov: Prime Minister of the Republic of Uzbekistan;
Ismoil Hakimovich Jorabekov: First Deputy Prime Minister of the Republic of Uzbekistan;
Yuriy Fedorovich Paygin: Deputy Prime Minister of the Republic of Uzbekistan
Saidmukhtor Saidghoziyevich Saidqosimov: Deputy Prime Minister of the Republic of Uzbekistan;
Otkir Tokhtamurodovich Sultonov: Deputy Prime Minister of the Republic of Uzbekistan and Minister of Foreign Economic Relations;
Mirabror Zufarovich Usmonov: Deputy Prime Minister of the Republic of Uzbekistan;
Viktor Anatolyevich Chzhen: Deputy Prime Minister of the Republic of Uzbekistan and Chairman of the State Committee of the Republic of Uzbekistan for Managing State Property and Support for Enterprise;
Rustam Rasulovich Yunusov: Deputy Prime Minister of the Republic of Uzbekistan;
Bakhtiyor Sultonovich Hamidov: Deputy Prime Minister of the Republic of Uzbekistan and Minister of Finance;
Qayim Jalilovich Haqqulov: Deputy Prime Minister of the Republic of Uzbekistan and the Chairman of the Board of the National Corporation of Oil and Gas Industry;
Dilbar Muhammadkhonovna Ghulomova: Deputy Prime Minister of the Republic of Uzbekistan and Chairman of the Women's Committee of Uzbekistan;
Zokirjon Almatov: Minister of Internal Affairs of the Republic of Uzbekistan;
Rustam Ormonovich Ahmedov: Minister of Defense of the Republic of Uzbekistan;
Alisher Mardiyevich Mardiyev: Minister of Justice of the Republic of Uzbekistan;
Abdulaziz Hafizovich Komilov: Minister of Foreign Affairs of the Republic of Uzbekistan;
Valeriy Yoldoshevich Otayev: Minister of Power and Electrification of the Republic of Uzbekistan;
Rasulmat Husanov: Minister of Agriculture of the Republic of Uzbekistan;
Rim Abdulovich Giniyatullin: Minister of Land Improvement and Water Conservancy of the Republic of Uzbekistan;
Komiljon Rahimov: Minister of Communications of the Republic of Uzbekistan;
Jora Ghaniyevich Yoldoshev: Minister of Education of the Republic of Uzbekistan;
Oqil Umurzoqovich Salimov: Minister of Higher and Secondary Specialized Education of the Republic of Uzbekistan;
Erkin Qahhorovich Hayitboyev: Minister of Cultural Affairs of the Republic of Uzbekistan;
Shavkat Ibrohimovich Karimov: Minister of Health of the Republic of Uzbekistan;
Bakhodir Hamidovich Umurzoqov: Minister of Social Security of the Republic of Uzbekistan;
Oqiljon Obidov: Minister of Labor of the Republic of Uzbekistan;
Viktor Konstantinovich Mikhaylov: Minister of Municipal Economy of the Republic of Uzbekistan;
Shamil Qodirovich Gataulin: Chairman of the State Tax Committee of the Republic of Uzbekistan;
Tolagan Nabiyev: Chairman of the State Committee of the Republic of Uzbekistan on Architecture and Construction;
Tolqin Shoyoqubov: Chairman of the State Committee of the Republic of Uzbekistan on Geology and Mineral Resources;
Sobirjon Sobitovich Roziyev: Chairman of the State Committee of the Republic of Uzbekistan on Physical Culture and Sports;

Polat Qirghizboyevich Habibullayev: Chairman of the State Committee of the Republic of Uzbekistan on Science and Technology;
Rustam Shomurodovich Shoghulomov: Chairman of the State Committee of the Republic of Uzbekistan on the Press;
Akram Ghulomovich Ahmadboyev: Chairman of the State Committee of the Republic of Uzbekistan on Safety at Work in Industry and Supervision of Mines;
Abdushukur Abdukhalilovich Khonazarov: Chairman of the Committee on Forestry of the Republic of Uzbekistan;

In accordance with Article 98 of the Constitution of the Republic of Uzbekistan the Chairman of the Council of Ministers of the Republic of Karakalpakistan, ex officio, is a member of the Cabinet of Ministers.

2. The above decree is to be submitted for approval to the Supreme Assembly of the Republic of Uzbekistan.

President Islam Karimov of the Republic of Uzbekistan.

Tashkent, 26th April 1995

Abdulkhasim Mutalov Reelected Prime Minister

LD0505143895 Moscow ITAR-TASS in English 1429 GMT 5 May 95

[By Vilor Niyazmatov]

[FBIS Transcribed Text] TASHKENT May 5 (Itar-Tass) - The second session of Uzbekistan's parliament formed a new government today.

Abdulkhasim Mutalov, 48, has been reelected in his post of prime minister which he held since January 1992.

The session's agenda has some 20 items.

The parliamentary scrutiny will address statutes on the supreme court and supreme economic arbitration court, membership of the two courts, Uzbekistan's military doctrine, the setting up of parliamentary committees.

Uzbek President Islam Karimov made a state-of-the republic address at the session.

Defense Minister Addresses Victory Day Parade

LD0805092295 Tashkent Radio Mashal in Uzbek 0510 GMT 8 May 95

[Address by Defense Minister Rustam Akhmedov to the Victory Day parade in Tashkent on 8 May—live]

[FBIS Translated Excerpt] Comrade soldiers and seamen! Sergeants and warrant officers! Officers and generals! Dear war and labor veterans! Esteemed guests! On behalf of and on the order of the president of the Republic of Uzbekistan—the commander in chief of the Armed Forces—I greet you on the 50th anniversary of the victory over fascism! [passage omitted]

To reinforce its state independence, Uzbekistan is conducting an open foreign policy. It is steadfastly observing international agreements. It views its relations with all countries of the world on the basis of the standards of international law and commonly adopted rules.

At the same time, the present instability in the world, and in particular in nearby areas, imposes on us the obligation of taking exhaustive measures to reinforce our defense potential, to assure the national security of the country. Our Armed Forces are the most important guarantee of this. Thanks to the uninterrupted attention of the president—the commander in chief of the Armed Forces—and the administration of the republic, we have at present a modern, educated army that can secure the defense of our borders, the independence, sovereignty, and peaceful life of our people. [passage omitted]

Joint Venture Planned With South Korean Textile Firm

LD0505164295 Tashkent Uzbekistan Television in Russian 1430 GMT 5 May 95

[FBIS Translated Text] Today, First Deputy Prime Minister Ismail Jurabekov received a delegation from the Kabul Textile firm of the Republic of Korea. This firm has elaborated a way of creating a joint enterprise called Kabul-Toytepa Tekstil together with the Uzbeklegprom [Uzbek light industry] association on the basis of a factory being built in Toytepa [Tashkent region].

Putting the plant into operation is planned in two phases. The Korean firm, using its investments, will partially take part in finishing the construction, and takes upon itself the delivery of modern equipment worth up to $30 million.

The signing of a founding agreement for the joint enterprise then took place. It was signed on Uzbekistan's side by Uktam Ismailov, the chairman of the board of the Uzbeklegprom association, and on the part of the Republic of Korea by Chan Ho Par, the president of the Kabul Textile firm.

Uzbek Deputy Prime Ministers Otkir Sultanov, Mirabror Usmanov, and Viktor Chzhen; So Kun-i, the ambassador of the Republic of Korea; and Yong Tsuh, the director general of the Kabul Textile firm were present at the discussion at the Cabinet of Ministers and the signing of documents.

Armenia

OCSE's Kazimirov Advocates Direct Talks Over Karabakh

NC0505140095 Yerevan SNARK in English 0930 GMT 5 May 95

[FBIS Transcribed Text] Yerevan, May 5 (SNARK)—Vladimir Kazimirov, the representative of the Co-Chairman of the OSCE Minsk conference on NKR [Nagorno-Karabakh Republic], told SNARK that direct contacts between the conflicting parties should consolidate the cease-fire regime in Karabakh. He also said that they have worked out a special mechanism to settle possible armed incidents which might aggravate the situation and even break the truce. However, this mechanism has not been used to the utmost extent. According to Kazimirov, direct contacts should consolidate the cease-fire regime, and afterwards should help settle the Karabakh conflict by mutual concessions.

Kazimirov considers that favorable conditions have been created to begin a direct dialogue between Baku and Yerevan as well as between Baku and Stepanakert.

CIS Interparliamentary Group Ends Stepanakert Talks

NC0505135095 Yerevan SNARK in English 0930 GMT 5 May 95

[FBIS Transcribed Text] Stepanakert, May 5 (SNARK)—A delegation of the CIS Interparliamentary Assembly (CIS IA) arrived in Stepanakert on peacekeeping mission on May 4. The negotiations between CIS IA and the NKR [Nagorno-Karabakh Republic] leaders have come to an end.

On the evening of May 4, NKR President Robert Kocharyan received the delegation headed by Vadim Gustov, the Chairman of the Russian Parliament's Committee on CIS.

During the meeting, participants noted the importance of the Bishkek agreement concluded a year ago through the CIS IA mediation. The Bishkek agreement promoted to achieve a truce in the Karabakh-Azeri conflict. They stressed the necessity to take effective measures for preventing hostilities in the region and settling all political issues exclusively through talks.

The problem on POWs and hostages was discussed as well. Karabakh expressed its readiness to send detained Azeri citizens home until May 12, i.e. the cease-fire first anniversary. Regarding the POW's exchange, Stepanakert considers direct contacts with Baku through the International Red Cross (IRC) mediation to be necessary. However, there are no contacts yet, because Azerbaijan prefers to discuss the fate of Azeri POWs with Armenia, but not with Karabakh. Moreover, Karabakh has no list of Armenian POWs and hostages, and no one international organization including IRC has access to places of their confinement.

Participants of the meeting agreed that mass media particularly "Mir"(Peace) Interstate TV and Radio Company should play more important role to establish confidence between the conflicting parties.

Secretary General of the CIS AI Council Mikhail Krotov, Chairman of the Belarus Supreme Council's Committee on National Policy and CIS Mikhail Slemnev, member of the Moldova Parliament's Committee on Human Rights Valeriy Chebotar, representative of the Co-Chairman of the OSCE Minsk conference on NKR Vladimir Kazimirov, and other members of the CIS AI delegation participated in the meeting.

The NKR Supreme Council's Chairman Karen Baburyan, NKR Minister of Foreign Affairs Arkadi Ghukasian, NKR Minister of Internal Affairs Armen Isagulov, and other officials represented Karabakh at the meeting.

Today the CIS AI delegation has left for Baku.

Foreign Observers Invited To Monitor Elections

LD0505183695 Moscow INTERFAX in English 1714 GMT 5 May 95

[From the "Diplomatic Panorama" feature: Reports by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov and others]

[FBIS Transcribed Text] YEREVAN, May 5 (Interfax)—Armenia's Foreign Ministry has invited 300 independent international observers to monitor the parliamentary July-5 elections, the Ministry's press secretary Aram Safaryan told Interfax Friday [5 May]. The Foreign Ministry was instructed to render assistance to the Central Electoral Committee, Safaryan said.

According to Safaryan, Russian, French, German, U.S. and other observers are expected to accept the invitation. The United Nations is likely to send 100 observers to Armenia.

Under Armenian law, the National Assembly is to include 190 legislators (the Armenian parliament was made up of 243 legislators). A total of 150 legislators will be elected in single-mandate constituencies and 40 - on party tickets.

Aliyev Promises To Provide More Oil for Turkey

NC0605101995 Yerevan NOYAN TAPAN in English 1559 GMT 5 May 95

[FBIS Transcribed Text] 05/05/95 NOYAN TAPAN—During the meeting between the special correspondent of the Turkish newspaper "SABAH" and the Azeri President Geydar Aliyev the latter promised to provide additional oil for Turkey on condition that Turkey would persuade Armenia to leave the captured territories.

Aliyev said that Turkish businessmen were afraid of Karabakh war and rumors on coup d'etat. "Meantime, there is nothing to be afraid of and the truce will be continued. As far as the coup d'etat is concerned the dissemination of such rumors is just attempts by certain circles to cool Azeri-Turkish relations".

Aliyev said that the Azeri Interior Minister had made a mistake stating that the coup d'etat was organized by the Turkish Embassy. "The Minister told me that he just let it slip", stated Aliyev and added that three attempts on his life and three ones of coup d'etat were made.

The Azeri President also said that the Caspian oil would revive the republic's economy, however, "unfortunately, the indefinite status of the sea hinders it".

Parliament Discusses New Constitution

LD0505143095 Moscow ITAR-TASS in English 1349 GMT 5 May 95

[By Tigran Liloyan]

[FBIS Transcribed Text] YEREVAN May 5 (Itar-Tass)—A new draft constitution of Armenia is the centre of debate at an extraordinary session of the Armenian parliament.

The attendance of the session is almost full, an event of note in the parliament's recent activities.

The parliamentary lobby says the diligent attendance is explainable by the parliament's decision to have the debate televised. With the parliamentary election ahead on June 5, parliamentarians want more television appearances.

With the importance of the agenda is mind, the parliament decided to put aside the rules of order and let everyone ample time to speak up, Itar-Tass was told by first deputy chairman of the parliament Ara Saakyan.

The opposition insists on scrutiny of its alternatives to the draft constitution. "It is an attempt to impose on our people an anti-constitutional version of the constitution, and we will fight to have the passing of it hindered," said Grant Khachatryan, chairman of an opposition alliance.

Controversy between ruling forces and the opposition revolves around presidential powers and the makeup of self-rule.

The opposition insists on broad powers for the legislature, to make Armenia a parliamentary republic.

The opposition rejects a prospect of strengthening of presidential power and describe presidency as monarchy.

According to Vladimir Nazaryan, a member of the parliamentary constitution commission, the constitution draft generated by the commission is a compromise version as it takes account of many constructive proposals of the opposition. Paradoxically, Nazarayn, a scientist and former prosecutor in Soviet-era Armenia, is an author of both the currently debated constitution and the opposition's versions of it.

A new administrative and territorial division of Armenia laid down by the draft constitution is a subject of harsh controversy. The draft projects enlargement of Armenia's districts to regions, whose administrators are to be appointed by Armenian president. The districts are to be called communities and governed by elected authorities.

Azerbaijan

CIS Delegation Meets Karabakh Leaders

LD0505142395 Moscow ITAR-TASS in English 1345 GMT 5 May 95

[By Tigran Liloyan]

[FBIS Transcribed Text] YEREVAN, May 5 (Itar-Tass)—A delegation of the CIS Interparliamentary Assembly, which arrived in the Transcaucasia, met with leaders of Nagorno-Karabakh. The Karabakh side noted the importance of release of prisoners-of-war and hostages through direct contacts with Baku with the mediation of the International Red Cross Committee. Leaders of Nagorno-Karabakh believe there have been no such contacts yet because of the unwillingness of the Azerbaijan authorities to discuss the destiny of prisoners of war with leaders of Nagorno-Karabakh. They preferred to deal only with Armenia. To this day the Karabakh side does not have a list of Armenian prisoners-of-war and hostages detained in Azerbaijan, it was said in Stepanakert.

Upon returning to Yerevan on Friday morning, the delegation of the Interparliamentary assembly of the CIS took a plane to Baku.

Aliyev Receives CIS Interparliamentary Delegation

NC0505200495 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 5 May 95

[FBIS Translated Excerpt] A delegation of the Russian Federation Council and CIS Interparliamentary Assembly [IA] arrived in our Republic today for a three-day visit. Azerbaijani President Geydar Aliyev received the delegation.

[Begin off-screen reporter recording] Geydar Aliyev assessed as positive the visit being paid the Belarusian, Moldovan, and Russian representatives for the purpose of consolidating cooperation in the Caucasus and implementing the [Bishkek] agreement.

Head of the delegation Mr. Gustov expressed concern at the fact that contrary to the IA's expectations, no progress has been made at the talks on the anniversary of the Bishkek protocol on the cease-fire. He added that the

Federation Council has made a decision on humanitarian aid to Azerbaijan and that 800,000 million rubles' worth of medicine and foodstuffs will be brought to Azerbaijan in the morning.

He also said that while in Armenia, he was told by the International Red Cross Committee that there are 70 hostages and POW's in Azerbaijan, 30 in Armenia, and 130 in Nagorno-Karabakh. Mr. Gustov noted the urgency of unconditional release of hostages and POW's both for humanitarian reasons and as a requirement of the Geneva Convention.

Azerbaijani President Geydar Aliyev drew the delegation's attention to the fact that Azerbaijan, whose territory has remained under occupation and its people turned into refugees because a peace agreement has not yet been reached, suffered greater losses and that the freezing of the situation in the form of neither peace nor war will be to the greater advantage of Armenia, whose territorial integrity has not been harmed.

The head of state stressed that the International Red Cross has not been given accurate information on hostages and POW's. He noted that the possibility that more Azerbaijanis, who were expelled from their lands, may have been taken prisoners is more logical. Geydar Aliyev said that every opportunity will be created to investigate this issue in Azerbaijan. But will the opposite side, which with its deeds tramples upon the principles of fairness and justice, agree to this?

The president noted that there are no eternal victors in human history. Our only desire is not to live under a war condition. Otherwise, the Azerbaijani people have the strength and power to defend themselves. We favor the peaceful resolution of the problem in keeping with the principles of fairness and justice and without bloodshed and losses.

State Adviser Vafa Gulizade stated that the information given to the delegation by the so-called leaders of Nagorno-Karabakh on the initiative to exchange 15 prisoners is nothing but a political ploy by that artificial organ to pass itself off as a de facto official side. Whereas, Nagorno-Karabakh is, and will remain, the indivisible part of Azerbaijan.

Aliyev replied to Vladimir Kazimirov's statement that the blame for the lack of a peace agreement rests with the sides and the mediators. [passage omitted]

At the end of the meeting, Mr. Gustov, in the name of the IA, gave Aliyev a gift embossed with the Order of Victory on the occasion of the 50th anniversary of victory and president's birthday on 10 May.

The Azerbaijani president said he is accepting the present on the 50th anniversary of the victory because he does not think his birthday is important and thanked the guests for the gift. [end recording]

Aliyev Discusses Karabakh With Delegation

LD0505210095 Moscow ITAR-TASS in English 1824 GMT 5 May 95

[By Sevindzh Abdullayeva, Viktor Shulman]

[FBIS Transcribed Text] BAKU, May 5 (Itar-Tass)—A meeting of Azeri president Geydar Aliyev with a delegation of the Russian parliament and the Council of the Commonwealth Interparliamentary Assembly was held here today to discuss political and humanitarian aspects of Armenian-Azeri settlement.

In the words of chairman of the Federation Council's committee for affairs of the Commonwealth and head of the delegation Vadim Gustov, the delegation came to Baku after visits to Yerevan and Stepanakert to analyze the situation in the conflict zone. It plans to boost the peace-making process at the interparliamentary level. The process began a year ago with the signing of the Bishkek protocol that started termination of combat operations between the sides. The process has been stopped, and a meeting of the Assembly Council will be held on May 12-13 to discuss Karabakh settlement and resume the process.

In the opinion of Gustov, consultations and meetings in Armenia and Nagorno-Karabakh were useful. According to information of the International Red Cross committee, 70 and 130 Azeri POW and hostages are being kept there. The Armenian side stands for their full exchange, said the deputy.

Gustov told Geydar Aliyev that the Russian parliament has decided to render 800 million rubles worth of humanitarian aid to Azeri refugees. The aid will be delivered to Baku on May 6.

In his turn, Aliyev told the delegation members that the Bishkek protocol was a correct step in peace-making process which should be deepened. At the same time, he noted that the sides managed to achieve cease-fire and termination of combat operations but failed to use the year-long break for solution of key problems and provision of lasting peace. In the opinion of the Azeri leader, this happened on several reasons, including the failure to bring the sides' stands closer together even with the help of the mediators.

In his words, "Azerbaijan stands for further negotiations and solution of all disputable issues within the framework of the OSCE Minsk conference and its group where Russia should play a more active role in settlement." The state head called for quick solution of the humanitarian problem of exchange of POW and hostages on the "all for all" principle and noted he is against politicizing of this process.

Prisoner Swap Urged With Armenia

LD0605172495 Moscow INTERFAX in English 1257 GMT 6 May 95

[FBIS Transcribed Text] BAKU, May 6 (Interfax) - A delegation of the upper house of the Russian parliament, the Federation Council, and the CIS Interparliamentary Assembly have called on the Azerbaijani authorities to follow the example of the Armenian and Nagorno-Karabakh authorities and release some prisoners of war kept in Azerbaijan by May 12 to mark the first anniversary of the truce in the area of the Nagorno-Karabakh conflict.

"The exchange of hostages and prisoners of war must be set in motion and the Geneva Convention of 1949 fulfilled. That convention requires the early release of such persons after the end of active combat operations," the delegation's member, Russian presidential envoy for the Nagorno-Karabakh settlement Vladimir Kazimirov has said. He met with members of Azerbaijani state commission for hostages and prisoners of war and the parliamentary commission for refugees on May 5.

Kazimirov said that President Levon Ter-Petrosyan on May 3 told the delegation in Yerevan that he was prepared to unilaterally release all hostages and prisoners of war kept in Armenia who are mentioned on the lists of the International Red Cross.

Kazimirov said the leadership of Nagorno-Karabakh was going to release 15 Azerbaijanis on May 8 in a unilateral move.

According to the International Red Cross there are 30 Azerbaijani prisoners of war and hostages in Armenia, 130 in Nagorno-Karabakh, and 70 in Azerbaijan.

Meanwhile, Azerbaijani National Security Minister Namig Abbasov believes there are far more prisoners and hostages in Armenia and Nagorno-Karabakh than the International Red Cross estimates. He said that 4,735 Azerbaijanis were listed as missing. "It is known for certain that 982 of them are in Armenia", Abbasov said. He recalled that in Azerbaijan there were only 25 prisoners of war, one Armenian marauder and nine Armenians detained as suspects.

Abbasov said that Azerbaijan was prepared to exchange prisoners on an "all for all" basis and made it clear that the exchanges may begin only when the plight of all Azerbaijanis who, according to Baku's sources, are being detained by the Armenians, is cleared up.

Abbasov ruled out the possibility Baku might unilaterally release all the 25 prisoners of war. "If there are no Armenians in Azerbaijan, the Armenian side will lose interest in solving other settlement problems, including a major political treaty. Efforts to draft such an agreement have produced little so far," he said.

'Surprise' at Red Cross Prisoner List

LD0605173895 Moscow INTERFAX in English 1410 GMT 6 May 95

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov and Andrey Petrovskiy, edited by Vladimir Shishlin]

[FBIS Transcribed Text] Azerbaijan suffering more than other parties in the regional conflict is interested more than others in an early solution to the territorial dispute, [President Geydar] Aliyev told a visiting team of Russian and CIS MPs in Baku.

In his words, Yerevan rather than Baku stands to benefit the current situation of no peace, no war.

Aliyev said the warring sides and mediators could have done better over the ceasefire period lasting more than a year now. And he called on Moscow for further effort in this direction.

Aliyev expressed surprise at the International Committee of Red Cross's [ICCR] list of prisoners held by Armenia, Nagorno-Karabakh and Azerbaijan.

IF note: Armenia, Karabakh and Azerbaijan hold 30, 130 and 70 prisoners of war each, according to ICCR.

Aliyev argued saying that 20 percent of Azeri territory was occupied by Armenia which as aggressors usually do, holds more prisoners and hostages.

On Stepanakert's offer to release 15 Azeri hostages, all of them civilian, Aliyev described this as being a half-measure and discriminatory against Azerbaijan. He called for an unconditional prisoner exchange instead.

For their part, Russian and CIS MPs called on Baku to follow suit by Yerevan and Stepanakert by releasing part of the Armenian prisoners by May 12 timed to coincide with one year since the regional ceasefire took effect.

Russian Envoy for Nagorno-Karabakh Vladimir Kazimirov called for starting the process of prisoner exchange to comply with the 1949 Geneva convention stipulating that POWs must be released as soon as the fighting is over.

On Friday, he met with officials of the Azeri state and parliamentary commissions for hostages and prisoners of war.

Kazimirov said Armenian President Levon Ter-Petrosyan told the delegation in Yerevan on May 3 that Armenia was prepared to unilaterally release all POWs whose names are on the ICCR's list.

He said the president would call a special meeting by the country's security council to take a decision while Karabakh leaders are expected to release 15 Azeri prisoners on May 8.

In the meantime, Azeri Defense Chief Namik Abbasov said that Armenia and Karabakh held more prisoners than indicated in the ICCR list.

He put the number of missing Azeri soldiers at 4,735 saying it was established that 982 of them were held by Armenia. By contrast, Azerbaijan holds only 25 prisoners, nine of them of Armenian descent, Abbasov said. One is held on looting charges and the rest as suspects.

Abbasov made it clear Baku prefers an unconditional prisoner exchange but not until after the fate of all Azeri prisoners has been cleared. He ruled out any unilateral release of prisoners by Baku on the grounds that Yerevan would lose interest in any other issues including a framework deal with Azerbaijan once the Armenian prisoners were set free.

Received by Mejlis Speaker

NC0705193495 Baku TURAN in English 1359 GMT 7 May 95

[FBIS Transcribed Text] Baku (May 7) TURAN—"Nagorno-Karabakh is the integral part of Azerbaijan and all attempts to separate it must be considered as encroachment on sovereignty and territorial integrity of the Republic of Azerbaijan", the speaker of Azerbaijan's Supreme Soviet, Rasul Guliyev, said during yesterday's meeting with the delegation of Russian Federation Council and the CIS Interparliamentary Assembly.

He said that Baku is ready to give the Armenian community of Nagorno-Karabakh maximum autonomous status as a part of unitary Azerbaijani state within the framework of the political settlement of the Armenian-Azerbaijani conflict. The speaker thinks that they can use the experience of the leading democratic states of the world, like, for example, the model of the autonomous system of the Aland Islands in Finland.

Rasul Guliyev also said that Azerbaijan positively assesses the intention of the Armenians of Karabakh to liberate the group of Azeri hostages by May 12. However, he mentioned that Baku insists on observation of the Geneva Convention from 1949, under which the Armenian side must liberate all Azeri prisoners and hostages totalling more than 4,000 persons.

It should be mentioned that officially there are 25 POWs of the Armenian army, 9 suspicious Armenians, the cases of whose are being investigated and 1 marauder in Azerbaijan for today. During the meeting with the delegations of the Russian Federation Council and the CIS Interparliamentary Assembly, the Armenians of Nagorno-Karabakh promised to liberate 15 Azeri civilians and Armenia promised to release all 30 hostages it has.

The head of the delegations, Vadim Gustov mentioned the issue concerning settlement of the Armenian-Azerbaijani conflict will be the key point of the agenda during the session of the CIS Interparliamentary Assembly, which will be held from May 12 through 13 in Sankt-Petersburg. "We intend to discuss the role the CIS Interparliamentary Assembly can play in the settlement process and adopt appropriate document on the results of these discussions", Gustov said.

Aliyev Interviewed on Relations With Iran

MM0805100895 London FINANCIAL TIMES in English 8 May 95 p 4

[Report by Bruce Clark, incorporating interview with President Geydar Aliyev; in London, date not given]

[FBIS Transcribed Text] President Geydar Aliyev of the strategically placed oil-producing nation of Azerbaijan said yesterday he wanted to avoid any further worsening of relations with Iran, despite the U.S. campaign to isolate the Tehran government.

Mr Aliyev confirmed his country had been forced by its exploration partners to drop plans to transfer to Iran a quarter of its stake in a $7.4bn (4.6bn pounds) project to exploit three oilfields in the Caspian Sea.

But the Azeri leader, interviewed in London where he was attending VE-day celebrations, stressed that this decision was taken under pressure, and his government wanted to limit the resulting damage.

"Our relations with Iran have run into some difficulties," Mr Aliyev said. "We had offered 5 percent out of our (20 percent) share to Iran, but the U.S. opposed this."

U.S. companies make up nearly half the consortium which last September signed the "contract of the century" to exploit three Caspian deposits expected to become one of the world's main energy sources next century.

As Mr Aliyev described it, his government had at first objected, saying it should have a free hand in disposing of its own share. But then "there was a meeting of the consortium, where there is a rule of unanimity, and we were deprived of the possibility of making the transfer to Iran.

"The Iranians were very offended... but we do not want to complicate our relations with Iran, because we have a long common border and we are joint users of the Caspian."

He was speaking after a meeting with Mr John Browne, chief executive-designate of British Petroleum, which leads the consortium. Mr Aliyev said discussions focused on what route to use to transport consortium output westwards.

The U.S. government favours a Turkish route, while Moscow wants the oil to pass through Russia.

The Azeri leader said all main options, including the Russian one, remained open, but he specified that a route to Turkey via Armenia—which would be among the shortest could only be contemplated if "many preconditions" were fulfilled. The final decision, Mr Aliyev stressed, would be determined by strategic as well as commercial factors.

"For us political and economic considerations have equal significance," said the president, an ex-member of the Soviet Politburo who has steered his country away from Moscow but is regarded as a formidably flexible diplomat.

Listing other options, he said: "The oil companies have an interest, and we have an interest, in the pipeline going through Turkey, but there is a question as to how it would get to Turkey: through Georgia, or Iran, or—though this is not possible now—through Armenia."

He said a route to Turkey via Armenia would be "very difficult for public opinion to accept" after seven years of war which had left 20 percent of Azerbaijan's territory under foreign occupation and created a million refugees.

Other alternatives include a pipeline to Novorossisk on the Black Sea, or even linking up with the Russian pipeline network as far as the Baltic Sea.

Aliyev Speech Marks VE-Day 50th Anniversary

NC0605122395

[Editorial Report] Baku Azerbaycan Radio Televiziyasi Television Network in Azeri at 1650 GMT on 5 May carries a 25-minute recorded statement by President Geydar Aliyev at a gathering of war veterans at the Republican Palace in Baku on 5 May marking the 50th anniversary of the "victory over fascism."

Aliyev begins by describing Azerbaijan's "great" role in the defeat of "Hitler fascism," specifically noting the contribution Azerbaijan's oil made to the successful conduct of the war. Aliyev says that during the 50 years since the end of World War II "great changes have taken place in the life of the Azerbaijani people, even though certain aspects of our lives are not yet suitable." He says a huge economic and scientific potential has been created for Azerbaijan and "now Azerbaijan is surviving and progressing on the basis of the achievements secured during those 50 years." He says "our people's path since the victory over fascism has led to our people's national freedom and independence." Aliyev says that by defeating fascism the war veterans played a big part in gaining independence.

Aliyev goes on to refer to "Armenia's aggression" against Azerbaijan, saying: "The situation into which we have now fallen and Armenia's aggression against us forces us to constructively draw on the experience of the Great Patriotic War and of our veterans to defend our lands and republic's independence, and to improve our army."

Aliyev adds: "The Azerbaijani people are a peace loving people. Even when fighting against Hitler fascism, the Azerbaijani people, as a peace-loving people, fought only to protect peace and stability and to save mankind from fascism. Similarly, today the Azerbaijani people are fighting solely to defend their own territory, lands, homeland, and independence. We do not want war. We do not favor war. We covet no one's land. On the other hand, we will not give our own land to anyone.

"Some 11 months ago, moved solely by peaceful principles, we concluded a cease-fire agreement in the war between Armenia and Azerbaijan. We have been abiding by this agreement for more than 11 months. I reiterate to you today that we, the Azerbaijani state, will abide by the cease-fire agreement until the conclusion and signing of the Major Peace Agreement. We want to put an end to the war between Armenia and Azerbaijan. We want to resolve this conflict peacefully. We have chosen this path and will continue on this path.

"The CIS Interparliamentary Assembly delegation visited us today and we held talks with them. They are here today marking the 50th anniversary of the victory. They are here in the hall. I greet them and in the name of the Azerbaijani people I congratulate them on the victory anniversary. I am sure that their activities, too, will be directed toward restoring peace and stability in our region, and that they too will work to bring Azerbaijan's peace-loving policy to a conclusion. We will adhere to the cease-fire. We want peace. However, peace can only exist alongside the territorial integrity of Azerbaijan, the inviolability of Azerbaijan's state borders, its independence and sovereignty. We are conducting, and will conduct, talks on these conditions, and I hope that the states and all the international organizations involved in this affair will approach these problems justly, will understand our stance and realize that we will work for a long-term peace in our region only on the basis of these principles. Today I distributed 50th anniversary medals to a group of veterans. When receiving the medals they all said: We hope for the day when we will mark and celebrate a new victory. I am feel the same way. May the day arrive when Azerbaijani lands are liberated from the occupiers, when the Azerbaijani refugees from the occupied lands return to their homes, and when Azerbaijan's territorial integrity is eternally ensured. I want to reiterate that we want to do all this by peaceful means. I am sure that we will do so and the day will come when we will celebrate such a holiday," Aliyev says in conclusion.

After Aliyev's statement, the gathering concludes with cultural performances.

Aliyev Leaves to Attend UK Victory Day Celebrations

LD0605110895 Moscow ITAR-TASS in English 0839 GMT 6 May 95

[By Sevindzh Abdullayeva, Viktor Shulman]

[FBIS Transcribed Text] Baku, May 6 (ITAR-TASS)—Azerbaijan's President Geydar Aliyev headed to London today for a three-day visit at the invitation of Britain's Prime Minister John Major.

Aliyev will attend Britain's May 7 celebrations of the allied victory in World War II.

Aliyev is expected to meet in London leaders of several Western states to discuss, among other things, the settlement of the Karabakh conflict and bilateral issues.

The Azeri president will attend May 8 and 9 victory celebrations in Paris and Moscow.

Parliament Speaker Denies Radar Site Leased to Russia

MK0605050495 Moscow SEGODNYA in Russian 5 May 95 p 5

[Report by Arif Useynov under "Denial" rubric: "Question of Russia Renting Gabelin Radar Station Remains Open"]

[FBIS Translated Text] Azerbaijani Parliament Speaker Rasul Guliyev, in an interview with the Turkish newspaper ZAMAN (published in Baku in the Azeri language), has denied reports in the foreign press that a long-term lease has been granted to Russia for use of the Gabelin radar station and that the site has been designated a Russian military base. Moreover, he linked this question directly to the settlement of the Karabakh conflict. "The radar station has been declared the property of the Republic of Azerbaijan," Rasul Guliyev stressed, "and all decisions on its use are the prerogative of parliament." Furthermore, the speaker advised that no talks are being convicted with the Russian side on this question.

It should be recalled that news on the leasing of the station to Russia with references to experts of the national commission and the National Space Agency leadership first appeared approximately two weeks ago in news bulletins of the well-informed KHABAR SERVICE agency and was reprinted by the AYNA weekly (SEGODNYA wrote about this on 29 April). Moreover, military censors left the contents of the news virtually unchanged.

According to some information, the station is still being commanded and run by Russian generals and servicemen. It is also no great secret that the station is financed by Russia's military department.

Comparing the two contradicting facts—the rather exhaustive information of the KHABAR SERVICE agency and the parliament speaker's denial—observers conclude that the agency report is a piece of misinformation inspired by the authorities in a bid to link resolution of the Gabelin radar station's status with a settlement of the Karabakh conflict.

Elchibey Calls For Unification With Iranian Azeris

MK0705070795 Moscow SEGODNYA in Russian 6 May 95 p 4

[Report by Arif Useynov under the "Idea" rubric: "Ex-President Advocates Widening Azerbaijan's Borders. He Proposes This Be Done Using Territory of Neighboring Iran"]

[FBIS Translated Text] Abulfaz Elchibey, leader of the People's Front [of Azerbaijan] [PFA] and a former president of Azerbaijan, who after fleeing Baku is still in hiding in the village of Keleki in the Nakhichevan Autonomous Republic, has been trying in recent times to get his supporters hooked on a national idea—to unite South Azerbaijan (in Iran) and North Azerbaijan to form a single state. Without waiting for the PFA congress that was supposed to discuss this extremely explosive political question for the region, the "Kelekin recluse" disseminated the other day an appeal to South (Iranian) Azerbaijan's recently created National Independence Front. The Democratic Development Fund's newspaper CHAG published a map of the proposed "Unified Azerbaijan" in which the hypothetical state shares borders with Syria and Iraq.

Four clandestine political parties represented in the National Independence Front, judging by the meager information in the press, have set themselves a specific task—freedom for South (Iranian) Azerbaijan. Observers, however, think that by calling on Iran's 30 million Azerbaijanis to avail themselves of an historic chance to unite a divided country, Abulfaz Elchibey is actually encouraging separatism in a neighboring state, which poses a serious threat to Iran's national security.

Official organs of the Republic of Azerbaijan have thus far not indicated what they think of this political action; it has not been either condemned or backed. Iran's embassy has thus far not reacted in any way to the ex-president's call or to the publications illustrating his pronouncements.

Radioactive Waste Traced to French, U.S. Firms

MK0605071195 Moscow SEGODNYA in Russian 28 Apr 95 p 7

[Report by Arif Useynov from Baku: "Radioactive Waste Containers Discovered in Baku"]

[FBIS Translated Text] Two mysterious containers stood in the cargo area of Baku's Bina Airport until the Azerbaijan Transport Prosecutor's Office took an interest in them. The first container was delivered from Amsterdam by the French firm Shlumberget [as transliterated] in December 1993, the second by the U.S. firm Ponder International Service a little later. According to the invoice, the recipient was the state oil concern, while the cargo supposedly contained plain chemical agents.

Upon examination it transpired, however, that the enterprising firms had sent Azerbaijan very dangerous radioactive waste. The French "parcel," weighing 763 kilograms, contained waste with a cesium-137 gamma radiation source, two americium-241 neutron sources, and also beryllium. The cargo had no permit or license to be exported from the country of origin or imported into Azerbaijan. A criminal investigation initiated by the republic's transport prosecutor's office established that the deal was arranged in such a way that after arrival in Baku, the very hazardous cargo became no one's. Transport Prosecutor Abdula Bagirov said that the investigation revealed all the intricacies of this shady transaction, adding that this was the first time law enforcement bodies have been confronted with such a crime. The incident proved to be instructive: State bodies have had to tighten customs controls over the importation of any chemicals into the country. The preliminary investigation into this crime has been completed and the case will soon be sent to the courts, which lawyers believe will file suits against the firms that delivered the radioactive waste to Azerbaijan and will demand that the cargo be returned to the countries from whence it arrived.

Georgia

Shevardnadze Praises Russian Effort in WWII Victory

LD0705160595 Moscow INTERFAX in English 1504 GMT 7 May 95

[FBIS Transcribed Text] TBILISI, May 7 (Interfax)—The contribution of the Russian people in Victory over fascism "is impossible to overestimate", Georgian leader Eduard Shevardnadze said on Sunday [7 May]. Addressing in Tbilisi the meeting devoted to the 50th anniversary of the Great Victory, he reminded about the high assessment to the role played by the Russian people in the victory over the enemy, which gave supreme commander of the Soviet troops Joseph Stalin.

Shevardnadze also said that "leaders of the countries of the anti-fascist coalition managed to rise above the political differences and by joint efforts rid the humanity of the Hitlerite plague".

He said that "the small country of Georgia, whose population was then a mere 3.5 million people, had sent to the fronts of the Great Patriotic War 700,000 its sons and daughters, out of which 300,000 people were killed."

Shevardnadze said that Georgia "will have efficient armed forces, which will become a symbol and a reliable shield of the state".

Shevardnadze Leaves For Moscow Celebrations

LD0805104395 Tbilisi CONTACT INFORMATION AGENCY in Russian 0595 GMT 8 May 95

[FBIS Translated Text] Tbilisi—Today, Georgian Head of State Eduard Shevardnadze and a delegation left for Moscow to take part in the celebrations marking the 50th anniversary of victory over fascism.

Officials Leave for New York UN Meeting on Abkhazia

LD0605173795 Tbilisi CONTACT INFORMATION AGENCY in Russian 1327 GMT 6 May 95

[FBIS Translated Text] Tbilisi—Georgian Foreign Affairs Minister Aleksandre Chikvaidze, Deputy Prime Minister Tamaz Nadareishvili, and Deputy Foreign Affairs Minister Giga Burduli left for New York on 6 May. They will take part in a UN Security Council meeting that will examine the current situation in Abkhazia and the issue of extending the mandate of the UN observers.

Police Detain More Than 20 Mkhedrioni Members

LD0505201495 Moscow INTERFAX in English 1757 GMT 5 May 95

[FBIS Transcribed Text] TBILISI, May 5 (Interfax)—The Georgian police detained Thursday [4 May] more than 20 armed members of the Mkhedrioni militarized organization in the Sagaredzhoi Region of the country, the Georgian Interior Ministry's press center told Interfax today.

Seven of the 20 detained Mhedrioni members were wanted by the police for murders committed earlier.

The same source said the police had received instructions from Georgian leader Eduard Shevardnadze to disarm Mkhedrioni. According to the instructions, force can be used in line with the law if the Mkhedrioni members refuse to hand in weapons voluntarily.

Ioseliani: We Shall Not Support Dictator President

LD0505140995 Tbilisi IPRINDA in Russian 1307 GMT 5 May 95

[FBIS Translated Text] Tbilisi (IPRINDA)—During the break in the parliamentary session today, Deputy Jaba Ioseliani gave a news conference in which he spoke about the action of the Georgian police against the Rescue Corps headquarters in Telavi yesterday.

Ioseliani told the journalists that by their action the police tried to humiliate Corps members. As for the weapons which the police seized, they were kept in rifle racks as prescribed by law. (Ioseliani expressed his surprise as to why it was necessary to send on 4 May 2,000 policemen to Telavi to carry out the operation).

Ioseliani blamed the police for plundering the local population as it carried out the operation, and added that the Corps has a video tape of the incident and if Georgian TV refuses "to play" the tape, then the Corps will circulate the tape among the population. We (the Corps) have been challenged to an open war, Ioseliani went on to say. We prefer an iron-strong democracy to the gold-plated dictatorship. We shall not support a dictator president.

Ioseliani also expressed the opinion that the population in Georgia is still living in a socialist police state.

Ioseliani: Mkhedrioni Leadership Agrees To Disarm

LD0505193995 Moscow INTERFAX in English 1757 GMT 5 May 95

[FBIS Transcribed Text] TBILISI, May 5 (Interfax)—The honored president of the Rescue Corps [Mkhedrioni] of Georgia and member of parliament Dzhaba

Ioseliani told an evening parliamentary session Friday [5 May 95] that the corps' leadership had agreed to disarm. However, he demanded that arms be handed in to the republic's Security Service or the Defense Ministry rather than to the Interior Ministry, as stipulated in Eduard Shevardnadze's earlier decree.

Ioseliani explained his demand by saying he did not trust the Interior Ministry which abused power and arms.

Despite the opposition's demand, Shevardnadze did not appear at the session. He had asked the parliamentary speaker to explain that he did not want to attend a session when individual deputies allowed themselves to make insulting expressions addressed to him.

Shevardnadze also said his decision to disarm the Rescue Crops, created on the basis of the militarized organization Mkhedrioni, remained unshakable and he was not going to retreat.

After a short debate, the parliament made a resolution saying that the disarmament deadline will be set by an ad hoc parliamentary commission.

Deputy Parliamentary Chairman Vakhtang Chauleshvili told the session that this was the optimal, acceptable to everyone and lucky decision. He emphasized that many members of the Rescue Corps had actually fought for Georgia's territorial integrity and many had died and that is why the corps should be treated with understanding.

Mkhedrioni Given One Day To Disclose Weapon Sites

LD0605161895 Tbilisi CONTACT INFORMATION AGENCY in Russian 1327 GMT 6 May 95

[FBIS Translated Text] [No dateline as received]—A meeting of the special parliamentary commission for the voluntary handover of weapons by the Rescue Corps [Mkhedrioni] was held on 6 May.

The commission instructed the Rescue Corps leadership within one day to disclose the location of places where the organization's weapons and equipment are stored and by 10 May to present a list of all its weapons to be handed over to the Ministry of Defense. The Ministry of Defense was entrusted with drawing up a mechanism for receiving the weapons and equipment, while the Security Service and the Ministry of Internal Affairs are to ensure that the aforementioned operation proceeds in an orderly manner.

The commission took note of the fact that the handover of weapons had already started in the town of Rustavi.

Shevardnadze on Mkhedrioni, Relations With Ioseliani

LD0605200395 Tbilisi Radio Tbilisi Network in Georgian 1700 GMT 6 May 95

[FBIS Translated Excerpt] Georgia does not need everything that exists in the United States—this is how Mr. Eduard Shevardnadze concluded his news conference. At the news conference, he discussed the future of the Rescue Corps [Mkhedrioni]. He also reviewed the visit to Georgia by the IMF managing director, Michel Camdessus, and prospects for long-term, virtually interest-free credits. [passage omitted]

Mr. Eduard Shevardnadze outlined his plans for 9 May celebrations. It emerged that he would attend a parade in Moscow on 9 May. Before that, on 7 May, he would visit Gori, in his words, to pay tribute to the supreme commander, Stalin. [passage omitted]

We now present an excerpt from Mr. Eduard Shevardnadze's news conference.

[Begin Shevardnadze recording] [passage omitted] I would like to pay special respect to Kakheti, the people of Kakheti, where this movement reached a special level. This was Kakheti's protest against illegality, against the activity of illegal bandit gangs.

A special commission has been set up which is to monitor the entire process of the handover of weapons. As for the recommendation or proposal that the weapons be handed over, not to the Ministry of Internal Affairs but to the Ministry of Defense, I see no difference in this. A state is a state. If they prefer it this way, let it be so. These weapons will be handed over to the state, and the state will become their owner.

I have said before that Batoni [polite form of address] Jaba Ioseliani is my friend, but I have never said that I am his friend. I would not say that he took me by the neck and brought me to Georgia. This may not be entirely true. But he is a person who played an important role in this. He was persuading me to come back.

As for Batoni Jaba Ioseliani's statement that he would withdraw from the coordinating commission, this will not be a calamity. He can leave if he wants. No one can be forced to be there against their will. The commission will continue work. If we cooperate, then it is good. If not, then we will meet elsewhere. We will have the opportunity to cooperate in Parliament. We will meet in a theater. He is a good writer, a good playwright. I am sure there will be good productions of his plays. We will see and enjoy them together.

A state decoration does not exempt anyone from punishment. If someone deserves punishment for something, he should get it. When I decorated them [Mkhedrioni members], I regarded none of them as a criminal. I had been presented with material on their heroism and bravery—no one denies it—in the struggle for the unity of the country. This is what they were decorated for. If any of them is found guilty of a crime, they will enjoy no special privilege. Some things may be taken into account, however, no one will be exempted from punishment.

I do not know anything about today's meeting, but the fact that such a commission was set up is good. I think that 10 days is quite enough. Whoever wants to hand over weapons will do so within 10 days.

Estonia

Estonia-Latvia Border Talks Continue

LD0505224995 Tallinn Estonian Television Network in Estonian 1800 GMT 5 May 95

[FBIS Translated Text] Estonia violated international law when it unilaterally announced its maritime border in March 1993, a Latvian representative said at the Latvian-Estonian border talks, which continued in Parnu today.

Estonia at that time abiding by the law and was to move gradually towards a bilateral interstate agreement, the Estonian representatives emphasized. The talks on the Estonian-Latvian border dispute are continuing.

[Correspondent] Now it is easier to hold talks on the border dispute that emerged in the form of a herring war in March, because the Latvian fisherman have had little to do around the island of Ruhnu as the spring fishing season is ending. Also, both sides admit that it is not a matter of obstinacy on Estonia's or Latvia's part, or of politics or, indeed, fish. The main issue is a different interpretation of international law.

[Begin recording] [Correspondent] Would Estonia be prepared to move the border of its territorial waters in the Gulf of Riga?

[Indrek Tarand, chancellor of the Ministry of Foreign Affairs and leader of the Estonian delegation] On the bases of the law and the Latvian-Estonian agreement on the land border, the Estonian delegation is always prepared to discuss the border. Therefore, we would like to focus on resolving the border issue and then to go on to discuss all issues relating to possible joint exploitation and joint protection of the economic and natural resources of the sea. [end recording]

[Correspondent] The Latvians have put forth the definition: The Gulf of Riga—our common sea. The Estonian side denies such a category and it also denies the suggestion that an agreed Estonian-Latvian maritime border existed in the disputed area before World War II. As a response to this, Latvia is saying that an intermediary, international arbitration, is needed. According to the leader of the Latvian delegation Janis Ritenis, state minister, this would not be an extraordinary approach. It has been practiced by otherwise friendly states like the Netherlands and Belgium, Iceland and Norway, and sometimes Sweden.

[Begin recording] [Ritenis, in English] We should not be sitting here and arguing until we eventually start becoming hostile to one another. We should be going to a third person whom both sides respect and asking for a verdict. That is very simple, that is what friends do.

[Correspondent] And what does Estonia hope for in this situation?

[Tarand] I trust we will resolve this issue this century. [end recording]

Minister Comments on Defense Guidelines

LD0505122395 Moscow INTERFAX in English 1012 GMT 5 May 95

[FBIS Transcribed Text] TALLINN, May 5 (Interfax)—The Estonian government, at its evening sitting on Thursday [4 May], directed the Defense Ministry to draw up and submit defense policy guidelines to the Cabinet of Ministers.

The principle of total defense is to be the basis for the concept, said Defense Minister Andrus Oovel in his report at the meeting.

In light of Estonia's course towards partnership with Euro-American security structures, it is necessary to take into account the guiding principles in Western countries, he said. Estonia should have its own defense system, proceeding from its geographical position, its size and the military-political situation in the region.

"Estonia must declare to the world community that it is determined to defend itself in case of an attack. Only then will it be able to rely on support," said the minister.

Oovel said that any aggressor will be rebuffed by all means available and throughout the entire country with both mobile and territorial defense. The first one is carried out by regular armed forces against the main directions of the attack. The second one involves the whole country and is carried out by the paramilitary voluntary organization Kaitseliit.

The Minister believes that already in 1996 it is necessary to start the first stage of training for the reserve, which numbers around 25,000. In the future reserve troops are to grow to 70,000-90,000 people.

Prime Minister Confirms Liberal Economics

WS0805093895 Tallinn BNS in English 1607 GMT 6 May 95

[FBIS Transcribed Text] Tallinn, May 06, BNS—Estonian Prime Minister Tiit Vahi, speaking at the opening of the May Fair in Tallinn, reaffirmed the country's determination to continue a liberal economic policy.

Vahi said the government supports the policy of keeping the exchange rate of the national currency, the kroon, fixed, a strict budgetary policy, and freedom of enterprise.

The government will not raise taxes nor establish customs barriers, the premier promised. He also pledged to carry on privatization. Vahi emphasized that only private enterprise is truly free enterprise and that it must be supported.

The seventh May Fair, opened in the Estonian capital Saturday, has some 130 exhibitors from 17 countries, among them Finland, Sweden, France, Spain, Japan, Russia, Lithuania, Latvia, and Italy.

Estonian companies account for about half of the participants, as the aim of the fair is to provide local businesses with a forum for forging contacts.

Latvia

Ulmanis in France, Presents Award to Mitterrand

LD0505164595 Riga Radio Riga Network in Latvian 1600 GMT 5 May 95

[FBIS Translated Text] State President Guntis Ulmanis arrived today in Paris, where at the moment he is presenting to French President Francois Mitterrand the Order of the Three Stars, First Class, with a gold chain. Before this solemn ceremony the president took part in a lunch given by the president of the Latvian-French Friendship Group, [name indistinct]. In the afternoon, Guntis Ulmanis visited the Louvre Museum and met the museum's directors. Upon his arrival at the Elysee Palace, two presidents had a short conversation with the participation of Foreign Minister Valdis Birkavs and Aina Nagobads Abols, ambassador to France. Before presenting the Order, Ulmanis made a short speech. This award is being presented to the French president for his special merits and support for the restoration of Latvia's independence. Francois Mitterrand himself is very moved at having been one of the first to be given this honor since the restoration of Latvia's independence. Tomorrow Guntis Ulmanis will visit Les Invalides and the War Museum in Paris. Afterwards, he will fly to London.

Sweden To Train Army Officers in Peacekeeping

LD0505144695 Riga Radio Riga Network in Latvian 1300 GMT 5 May 95

[FBIS Translated Text] Sweden will assist the Latvian National Armed Forces in playing a more successful part in the Partnership of Peace program by training military specialists to take part in peacekeeping operations, Juris Dalbins, the Commander of the National Armed Forces, said on his return from Sweden today. He also expressed the hope that Latvia could be included in the Nordic countries' peacekeeping forces, as Latvia cannot form a peacekeeping battalion due to financial considerations. According to a proposal from the command of the Swedish Armed Forces, several instructors and officers of the National Armed Forces could start training at the UN International Training Center at the end of this year.

Lithuania

Brazauskas in U.K for VE-Day Celebration

LD0605172995 Moscow INTERFAX in English 1257 GMT 6 May 95

[FBIS Transcribed Text] VILNIUS, May 6 (Interfax) - Lithuanian President Algirdas Brazauskas flew to London Saturday [6 May] to attend the celebration marking the 50th anniversary of the Victory over Nazi Germany.

Brazauskas rejected a month ago an invitation to attend the celebration in Moscow on May 9. He argued that the capture of Lithuania by the Soviet Army did not result in the restoration of an independent and democratic Lithuania.

Brazauskas will return to Lithuania Sunday night to attend the celebration in Vilnius.

A minute's silence will be observed in the country at noon on May 8. Brazauskas will lay a wreath at the monument to a grieving mother in the village of Pirciupis. Nazi troops burned the village and its inhabitants. Brazauskas will address a meeting in Vilnius later in the day.

The embassies of Russia, Belarus and Ukraine to Lithuania will lay flowers and wreaths in the cemeteries of Soviet soldiers on May 9. A reception will be held in the Russian embassy in the evening of the same day to which hundreds of war veterans as well as Lithuanian leaders have been invited.

20 Illegal Immigrants Deported to Belarus

WS0805093995 Tallinn BNS in English 1248 GMT 6 May 95

[FBIS Transcribed Text] Vilnius, May 06, BNS—Lithuanian authorities on Thursday [4 May] deported to Belarus 20 Middle Eastern refugees, news reports said. The group, which included 8 Indians, 8 Afghans, 3 Iraqis and one Pakistani, was detained Tuesday on Polish territory, about 20 kilometers from the Lithuanian border. The illegal immigrants were turned over to Lithuania and then deported to Belarus, where they had begun their journey. The Lithuanian Border Police Department said it was conducting a service investigation to find out how the group managed to cross the Lithuanian-Polish border. Officials suppose that Lithuanian border guards were bribed.

Radioactive Container Discovered in Siauliai

LD0605210595 Moscow Radiostantsiya Ekho Moskvy in Russian 1940 GMT 6 May 95

[FBIS Translated Text] A container filled with a radioactive substance, presumed to be cesium, was found near the town of Siauliai in Lithuania. It is giving off radiation at a rate of 1,000 microroentgens per hour, whereas the permitted level of background radiation in the republic is only 30 microroentgens. The container weighs 85 kg and experts say its market value is very high; although, it has not yet been possible to establish it precisely.

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